Budget

COUNTY GOVERNMENT OF BUSIA
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BUSIA, KENYA
COUNTY TREASURY

COUNTY ASSEMBLY OF BUSIA
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COUNTY BUDGET REVIEW AND OUTLOOK PAPER

FINANCIAL YEAR 2022/2023

DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

SEPTEMBER 2023

PREFACE

The FY 2022/2023 Budget Review and Outlook Paper has been prepared in accordance with section 118 of the Public Finance Management (PFM) Act, 2012 and its Regulations of 2015. It provides the actual fiscal performance in the year under review, the budget projections over the medium term and projects departmental ceilings for the Financial Year 2024/2025. The document also provides an overview of how the actual performance of the Financial Year 2022/23 affected the County compliance with the fiscal responsibility principles and the strategic objectives as spelt out in the County planning documents; CIDP, ADP, CFSP as well as National Government objectives such as Vision 2030, MTP IV, BETA and in line with the PFM Act, 2012.

The Busia County Budget Review and Outlook Paper (CBROP 2023) being the tenth to be prepared under the devolved governance structure, details the actual fiscal performance in the Financial Year 2022/23 in comparison to the budget appropriation for that year. 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 in this CBROP.

In the Financial Year 2022/23, Busia County approved budget amounted to Ksh. 9.577 Billion. This comprised of Ksh. 6.544 Billion (68%) allocated to recurrent expenditure and Ksh. 3.033 Billion (32%) for development expenditure.

The proposed budget ceilings and priorities for the Financial Year 2024/2025 will be firmed up in the County Fiscal Strategy Paper 2024. The County Government is committed to ensuring prudent management of public resources in order to ensure the citizens get value for money.

Hon. Topista N. Wanyama.
County Executive Committee Member
County Treasury and Economic Planning

ACKNOWLEDGEMENT

This Policy document (CBROP) 2022/23 has been prepared in accordance with section 118 of the Public Finance Management Act, 2012 and its Regulations.

Exceptional gratitude goes to the Executive Office of the Governor and the Deputy Governor, the County Secretary, the County Executive Committee Members, Chief Officers, County Directors and other County Authorities who offered their support during the preparation of this document.

Being a responsibility for the County Treasury's to oversee and ensure timely preparations and submission of CBROP, May I express my gratitude to the County Executive Committee Member for Finance and Economic Planning for her continued provision of technical guidance and leadership as the head of the County Treasury.

The compilation of CBROP 2023 was a coordinated effort of all County Departments who provided valuable and credible information for inclusion in this document.

Finally, I wish to thank the technical team from Budget, Financial Reporting Unit, Accounting Services and Economic Planning that coordinated the development of this document. Special thanks go to Ag. Director of Budget Mr. Evans Wangata for his exemplary leadership during the entire process, Mr. Nicholas Mutua Kiema; Mr. Abdallah Issa Omusugu; Mr. William Chepkwony; Mr. Amos Imooh Owana; Ms. Maureen Ochieng; Ms. Beverly Anyokorit; Ms. Marlene Ajiambo, Mr. Isaac Enaga; Mr. Kevin Omondi, Mr. Chrispinus Oroni, Mr. Faustine Adung'o, Mr. Tiberius Muganda, Ms Verah Ingutia and all departmental budget officers for their commitment throughout the process of compilation.

I hereby encourage all County Stakeholders to make use of the information contained in this CBROP to ensure fiscal discipline during the budget planning, implementation and oversight.

Gypson O. Wafula

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
CIDP	County Integrated Development Plan
CILOR	Contribution In Lieu of Rates
ECDE	Early Childhood Development Education
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

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 30th 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.

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 prudency and transparency in the management of public resources. The PFM Act (Section107) states that:

1) The County Government's recurrent expenditure shall not exceed the County Government's total revenue.
2) Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure.
3) 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.
4) 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
5) The County debt shall be maintained at a sustainable level as approved by County assembly.
6) Fiscal risks shall be managed prudently
7) 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 2023 are;

a) To provide an analysis of actual fiscal performance in the Financial Year 2022/2023 compared to the budget appropriation for that year.

b) This 2023 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) 2023-2027. 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 Governance.

c) As required by the PFM Act, 2012, budget process aims to promote efficient and effective use of resources, based on evidence and rational deliberation. To achieve this, CBROP 2023 has provided the proposed departmental ceilings as guided by the overall resource envelope. The ceilings sets in motion, the budget preparation for the Financial Year 2024/25 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 County Fiscal Strategy Paper 2023(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 CFSP 2023; 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.

Legal Framework

2) The County Budget Review and Outlook paper (CBROP 2023) is prepared in line with section 118 of the Public Finance Management Act, 2012. 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:

1) 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 2022/2023

Fiscal Performance of the County

1) In the Financial Year 2022/2023, the total approved revised budget for the County Government of Busia amounted to Ksh. 9.577 billion. This is 6.4% decrease in comparison to the FY 2021/2022 budget that was Ksh.10.23 billion. This reduction is attributed to review of own source revenue downwards from ksh. 976.1 million to ksh. 469.2 million as well as cessation of some conditional grants such as Transforming Health Systems for Universal Health Care of ksh 42.2 million, Water Tower Protection and Climate Change Mitigation and Adaptation Programme of ksh 106 Million and Kenya Urban Support Programme of ksh 202 million among others. The actual expenditure for Busia County in the Financial Year 2022/2023 aggregated to Ksh. 7.46 billion representing an absorption rate of 78% of the total Budget. This was an increase from an absorption rate of 71% attained in the Financial Year 2021/2022.

2) In the year under review, the unabsorbed 22% is attributed to majorly

i. Underperformance in own source revenue
ii. Delayed disbursement of funds from National Treasury
iii. Lengthy procurement processes and controls from National Treasury

3) Mitigation measures to address under absorption:

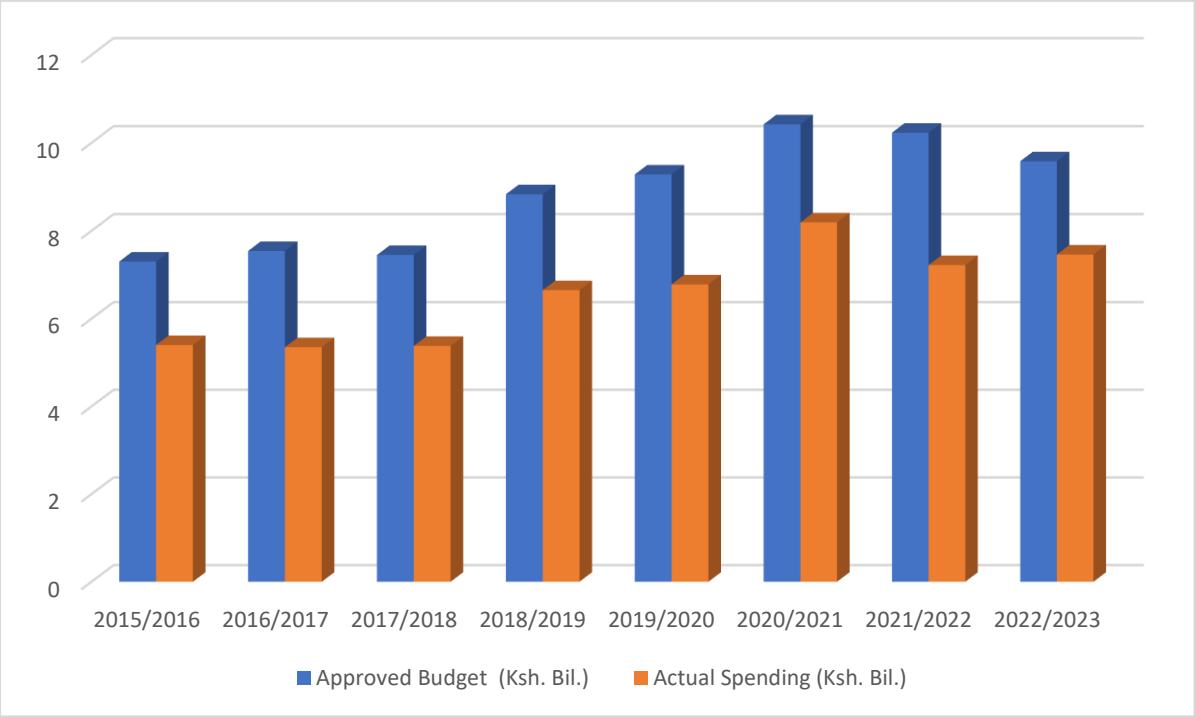
i. Timely release of funds by the National Treasury
ii. Timely procurement of goods and services
iii. Engage contractors to complete remaining works as per agreed timelines.
iv. Setting of realistic and achievable targets on own source revenue

4) Throughout the Financial Years 2015/16 to 2022/2023, the County Government could not spend 26% of its approved budget. Financial year 2021/2022 had the highest under absorption of 29% while 2020/2021 recorded the least under absorption of 21%.

Table 1: Summary of the Total County Budgetary Allocation and Expenditure for FY 2015/16-2022/2023

Financial Year	Approved Budget (Ksh. Bil.)	Actual Spending (Ksh. Bil.)	Variance (%)
2015/2016	7.3	5.4	26.03
2016/2017	7.54	5.35	29.05
2017/2018	7.45	5.38	27.79
2018/2019	8.83	6.65	24.69
2019/2020	9.28	6.78	26.94
2020/2021	10.42	8.19	21.40
2021/2022	10.23	7.22	29.42
2022/2023	9.58	7.46	22.13
Totals	**70.63**	**52.43**	**25.77**

Graph 1: Summary of the Total County Budgetary Allocation and Expenditure for FY 2015/2016 - 2022/2023



Source: County Treasury

Transfer from National Government

5) In the FY 2022/2023, the County Government received a direct transfer of Ksh 7.997 billion to the CRF account from the National Government. This amount consisted Ksh 7.745 billion received as equitable share. This consisted of 7.1 billion that had been approved in the county allocation of revenue act 2022 and kshs 573 million delayed disbursement received in relation to equitable share for FY 2021/2022. Further, the county received Ksh. 125.33 million from Kenya Climate Smart Agriculture Project

(KCSAP), Ksh19.06 million from DANIDA, Ksh 2.34 million from Kenya Urban Support Program-(KUSP)-Urban Development Grant, Ksh 22 million from Financing Locally-Led Climate Action Program (fLLoCA)-County Climate Institutional support (CCIS) Ksh15.60 million for Agriculture Sector Development Support Programme II (ASDSP II) and ksh 67.19 from National Agricultural Value Chain Development Project (NAVCDP).

6) The County Government actual own source revenue amounted to Ksh.343.92 million, aggregating the total county revenue received from both the National government and own source revenue in the FY 2022/2023 to Ksh.8.34 Billion. In addition the balances brought forward from FY 2021/2022 amounted to Ksh 558.61 Million.

Receipts from National Government, Donor funding and Grants.

7) County Government of Busia received a total of Ksh. 7.997 Billion against expected amount of Ks. 9.11 Billion.

Table 2: Receipts from National Government, Donor funding and Grants.

REVENUE SOURCES	APPROVED BUDGET FY 2022/2023	ACTUAL RECEIVED FY 2022/2023
Equitable Share.	7,172,162,009	7,745,934,967
Sub Total	**7,172,162,009**	**7,745,934,967**
Conditional Grants		
Transforming Health System for Universal Health Care	0	0
Kenya Climate Smart Agriculture Project(KCSAP)	421,123,660	125,328,154
DANIDA	32,017,375	19,062,823
Agriculture Sector Development Support Programme II (ASDSP II)	31,498,206	15,604,078
Water Tower Protection and Climate Change Mitigation and Adaptation Programme (WaTER)	0	0
Kenya Urban Support Programme	2,339,915	2,339,915
Nutrition international	0	0
Financing Locally-Led Climate Action Program(Flloca)-County Climate Institutional	22,000,000	22,000,000
Financing Locally-Led Climate Action Program(Flloca)	125,000,000	0
National Agricultural Value Chain Development Project (NAVCDP)	70,000,000	67,192,729
County Revenue Fund	837,850,166	0
Transforming Health System For Universal Health Care Fy 2021/2022	42,178,872	0
Kenya Climate Smart Agriculture Project(KCSAP)	233,586,801	0

REVENUE SOURCES	APPROVED BUDGET FY 2022/2023	ACTUAL RECEIVED FY 2022/2023
Sub Total	**1,817,594,995**	**251,527,699**
Balance brought forward		
Busia County Health Facility Fund Fy 2021/2022		
Kenya Devolution Support Programme (KDSP)Level "Ii" Grant Fy 2019/2020	46,409,820	0
Kenya Devolution Support Programme (KDSP)Level "Ii" Grant Fy 2020/2021	300,001	0
Agriculture Sector Development Support Programme Ii (ASDSP II) Fy 2020/2021	2,606,538	0
Agriculture Sector Development Support Programme Ii (ASDSP II) Fy 2021/2022	26,009,940	0
Busia County Health Facility Fund Fy 2021/2022	3,073,654	0
Covid 19- 2021/2022	23,139,540	0
Road Maintenance Fuel Levy Fy 2020/2021	537,207	0
DANIDA	16,022,749	0
Nutrition International Fy 2020/2021	22,111	0
Grant For Development Of Village Polytechnics	839,336	0
Sub Total	**118,960,896**	**0**
Grrand total	**9,108,717,900**	**7,997,462,666**

8) In the FY 2022/23 a total of Ksh. 537.48 million was not disbursed to the County as Summarized in the table below.

Table 3: Summary of undisbursed revenue from National Government

REVENUE SOURCES	BUDGET FY 2022/23	SUPPLEMENTARY 2022/23	REVISED BUDGET 2022/23	ACTUAL REVENUE (Ksh)	VARIANCE (Ksh)	REMARK
NATIONAL GOVERNMENT:	-	-	-	-	-	0%
National Agricultural Value Chain Development Project (Navcdp)	-	70,000,000	70,000,000	67,192,729	2,807,271	96%
Transforming Health System For Universal Health Care	42,178,872	-42,178,872	-	-	-	0%
Kenya Climate Smart Agriculture Project(Kcsap)	295,795,506	125,328,154	421,123,660	125,328,154	295,795,506	30%
Kenya Devolution Support Programme Level "Ii" Grant	69,825,044	-69,825,044	-	-	-	0%
Danida	13,323,750	18,693,625	32,017,375	19,062,823	12,954,552	60%
Agriculture Sector Development Support Programme Ii (Asdsp Ii)	26,009,940	5,488,266	31,498,206	15,604,078	15,894,128	50%
Kenya Livestock Commercialization Project (Kelcop)	30,000,000	-30,000,000	-	-	-	0%
Water Tower Protection And Climate Change Mitigation And Adaptation Programme (Water)	-	-	-	-	-	0%

REVENUE SOURCES	BUDGET FY 2022/23	SUPPLEMENTARY 2022/23	REVISED BUDGET 2022/23	ACTUAL REVENUE (Ksh)	VARIANCE (Ksh)	REMARK
Kenya Urban Support Programme(Busia)	-	-	-	-	-	0%
Nutrition International	-	-	-	-	-	0%
Financing Locally-Led Climate Action Program(Flloca)	-	125,000,000	125,000,000	-	125,000,000	0%
Financing Locally-Led Climate Action Program(Flloca)-County Climate Institutional	-	22,000,000	22,000,000	22,000,000	-	100%
Kenya Urban Support Program-(Kusp) Urban Institutional Grant	-	1,145,356	1,145,356	1,145,356	-	100%
Kenya Urban Support Program-(Kusp)-Urban Development Grant	-	1,194,559	1,194,559	1,194,559	-	100%
Bf 2021/2022	-	-	-	-	-	0%
Transforming Health System For Universal Health Care Fy 2021/2022	-	42,178,872	42,178,872	-	42,178,872	0%
Agriculture Sector Development Support Programme Ii (Asdsp Ii) Fy 2021/2022	-	26,009,940	26,009,940	-	26,009,940	0%
Danida	-	16,022,749	16,022,749	-	16,022,749	0%
Total	**477,133,112**	**371,118,800**	**848,251,912**	**251,527,699**	**537,482,276**	**30%**

Balances brought forward

In the FY 2022/23 balances brought forward amounted to ksh. 1.45 billion as summarized below:

Table 4: Summary of balances brought forward

ACCOUNT DESCRIPTION	2022 – 2023	2021 – 2022
	Ksh	
a) COUNTY EXECUTIVE CBK ACCOUNTS		
CBK Recurrent	1,772	61,758
Busia County Village Polytechnics	839,336	839,336
Busia County Special Purpose Account	14,671,312	9,360,874
CBK Road Maintenance Fuel Levy Fund	537,207	537,207
CBK Development	236,166	361,091
CBK Revenue Fund	1,217,406,348	184,265,868
Busia Climate Smart Agriculture Project	15,055,215	173,525,606
Busia County Deposit Account	5,104,361	3,606,858
Busia County Kenya Devolution Support Programme	5,388,976	46,409,820
Covid 19 Special Account	23,139,540	23,139,540
Busia County Health NI (Nutrition International) Account Busia County	12,466,970	22,111
Busia County Health Facility Improvement Fund	16,572,618	3,073,654
Agricultural Sector Development Support Program	2,610,445	2,606,538

ACCOUNT DESCRIPTION	2022 – 2023	2021 – 2022
	Ksh	
Climate Change Fund Account	17,290,300	-
NAVCDP	67,192,729	-
(b) COMMERCIAL ACCOUNTS		
Busia County Institutional Grant	-	-
Busia County Urban Support Grant	1	-
Busia County health service account KCB	-	-
Khunyangu Health Centre National Bank Of Kenya -Health (NHIF)	785,023	3,290,523
Busia County Referral Hospital National Bank Of Kenya - Health (NHIF)	-	11,463,154
Sio Port Victoria Health Centre KCB - Health (NHIF)	202	2,599,621
Port Victoria Health Centre National Bank Of Kenya -Health (NHIF)	1,830,092	3,988,282
Nambale Sub County Hospital KCB -Health (NHIF)	144	99,709
Kocholia Sub County Hospital KCB -Health (NHIF)	-	3,612,100
Alupe Sub County Hospital KCB -Health (NHIF)	8,370	1,172,016
Busia County Car and Mortgage Account	6,816	0
National Bank Busia County ASDSP Account National Bank	1,647,882	16
Co-Op Bank Standing Imprest A/C	-	999,400
Busia County KCSAP Account Coop Bank	25,658	6,520
County Health Management Team	7,377,719	2,892,736
KCB Revenue Collection	26,923,153	79,388,491
Co-Op Bank Education Imprest	10,666,381	1,283,167
Total	**1,447,784,733**	**558,605,994**

Revenue Collection

The total County annual local revenue approved target in the Financial Year 2022/2023 was Ksh. 469.16 Million. During the period, the County generated a total revenue of Ksh. 343.92 Million, which is 73% of the annual target. The own sources revenue streams performed fairly well falling short of target by Ksh.125.24 Million translating to 27%. Compared to the previous financial year 2021/2022 collection of ksh. 292,736,456 against target of ksh. 976.1 Million, there was an increase of 17% in actual collection. Key challenge encountered include valuation roll not being fully implemented.

9) The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

a) Automation of revenue collection system – the County is currently using County Pro Revenue system as the revenue collection system;

b) Continuous revenue mapping and putting in place proper revenue collection enforcement measures.

c) Allocation of service delivery vehicles to enhance local revenue collection.

d) Fully implement valuation roll

County Own Source Revenue per Stream

Code	Revenue Sources	Actuals	Actuals	Approved Budget	Revised Budget Estimates	Actuals	Deviation from Target	Percentage Deviation
		FY 2020-2021	FY 2021-2022	FY 2022 2023	FY 2022 2023	FY 2022 2023	FY 2022 2023	FY 2022 2023
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	%
	Administrative Services	**1,113,360**	**1,785,200**	**1,853,070**	**1,853,070**	**3,066,850**	**(1,213,780)**	-66%
1590201	Fire Safety	779,100	1,427,000	1,296,730	1,296,730	2,472,800	(1,176,070)	-91%
1550225	Impounding/Clamp. Fees	334,260	358,200	556,340	556,340	594,050	(37,710)	-7%
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness		**56,823,982**	**41,900,727**	**68,766,111**	**68,766,111**	**51,387,342**	**17,378,769**	25%
1420345	Sugar Cane Cess	6,413,364	8,776,759	10,674,368	10,674,368	17,144,545	(6,470,177)	-61%
1520325	Transit Produce Cess	35,635,870	24,177,240	38,876,576	38,876,576	25,158,400	13,718,176	35%
1520325	Tobacco Cess	1,659,668	1,254,243	2,762,342	2,762,342	908,347	1,853,995	67%
1520325	Fish Cess	707,450	736,320	1,183,801	1,183,801	913,770	270,031	23%
1420102	Tractor Hire Services	98,500	124,100	163,943	163,943	-	163,943	100%
1420102	Agriculture Training College	6,475,570	1,086,915	5,669,010	5,669,010	943,855	4,725,155	83%
1420102	Veterinary Services	1,797,570	1,477,790	3,746,693	3,746,693	1,752,545	1,994,148	53%
1420102	Stock Sale	3,266,170	3,349,480	4,408,093	4,408,093	3,630,190	777,903	18%
1420102	Fish Traders Licence	223,570	278,700	372,108	372,108	118,200	253,908	68%
1420102	Fish Movement Permit	89,560	243,990	149,063	149,063	109,500	39,563	27%
1420102	Livestock movement permit			-	-		-	
1420102	Vaccination			-	-		-	
1420102	Artificial Insemination			-	-		-	
1420102	Slaughter premise licences			-	-	459,650	(459,650)	
1420102	Meat Carrier Licence			-	-		-	
1420102	Meat inspection fees(Bovine, pigs, sheep and goats)			-	-		-	
1420206	Reg. Of Boats License	96,450	29,350	160,531	160,531	31,400	129,131	80%
1420206	Fisherman's License	272,300	79,650	453,215	453,215	77,000	376,215	83%
1420206	Fish Import Permit	87,940	107,140	146,367	146,367	37,640	108,727	74%
1540100	Wakhungu Fish Farm			-	-	-	-	
	Cage Licencing		179,050	-	-	102,300	(102,300)	
	Certificate of Transport		-	-	-	-	-	
	Automation for licenses for agro-dealers			-	-		-	
Youth, Sports, Culture,Gender, Creative Arts and Social Services		**171,200**	**277,750**	**315,138**	**315,138**	**160,650**	**154,488**	49%
1560201	Hire Of Hall / Office	70,500	73,500	147,534	147,534	56,000	91,534	62%
1560201	Hire of Busia County Stadium						-	
	Registration/ Renewal of SHGs, CBOs, Women groups and Youth groups	100,700	204,250	167,604	167,604	104,650	62,954	38%
Health Services and Sanitation		**121,012,598**	**98,827,674**	**158,451,783**	**158,451,783**	**146,364,911**	**12,086,872**	8%
1540100	Mortuary Fees	5,571,162	6,857,970	9,272,613	9,272,613	5,040,285	4,232,328	46%
1580401	Slaughter Fees	504,790	401,850	840,170	840,170	-	840,170	100%
1580211	Hospital User Fees-	112,287,836	88,313,134	143,930,335	143,930,335	84,905,000	59,025,335	41%
1580211	NHIF					52,205,326	(52,205,326)	
1540100	Public Health services	2,648,810	3,254,720	4,408,665	4,408,665	4,214,300	194,365	4%
Lands,Housing And Urban Development		**23,797,696**	**35,129,240**	**66,013,913**	**66,013,913**	**26,438,175**	**39,575,738**	60%
1130102	Plot Rent	1,045,423	1,806,511	4,759,306	4,759,306	-	4,759,306	100%
1130102	Plot Rent Arrears	-		-	-	830,020	(830,020)	

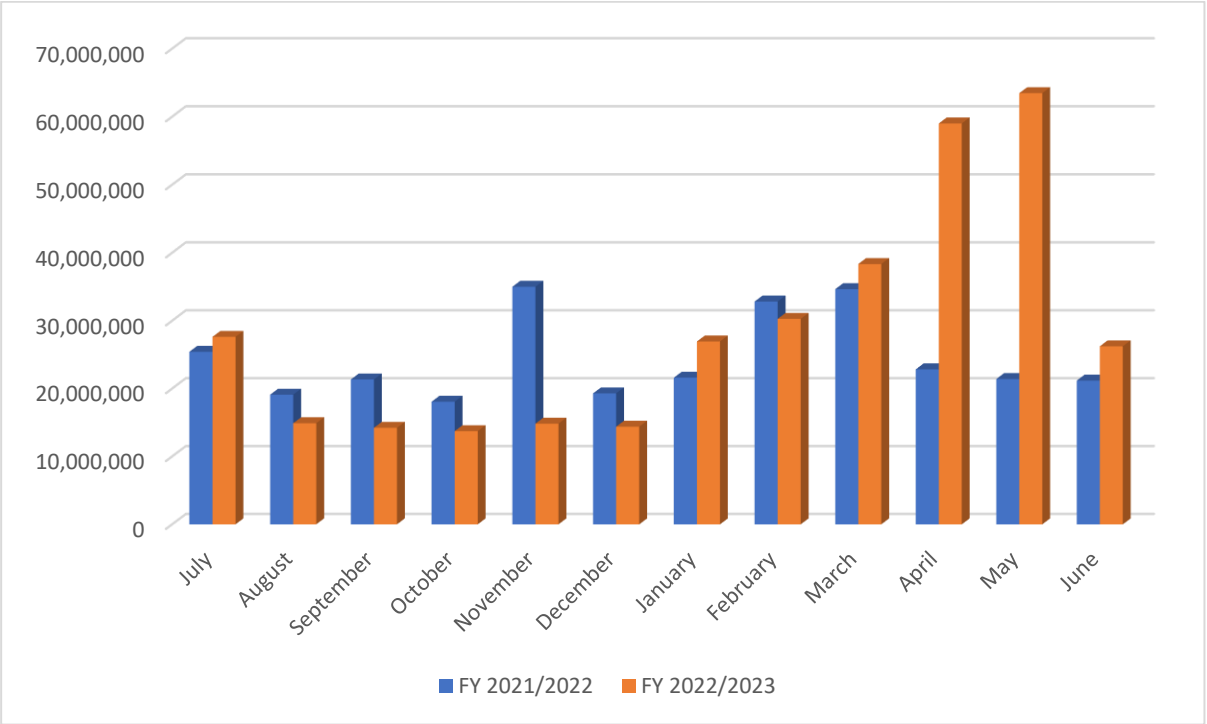
Code	Revenue Sources	Actuals	Actuals	Approved Budget	Revised Budget Estimates	Actuals	Deviation from Target	Percentage Deviation
		FY 2020-2021	FY 2021-2022	FY 2022 2023	FY 2022 2023	FY 2022 2023	FY 2022 2023	FY 2022 2023
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	%
1410499	Rent/Gov Houses	2,400,850	10,780,812	2,463,294	2,463,294	4,511,838	(2,048,544)	-83%
1520101	Land Rates		6,925,367	29,366,615	29,366,615	3,649,803	25,716,812	88%
1520102	Land Rates (Arrears)	2,058,600	-	-	-	-	-	
1530102	Application Of Plans	307,000	-	510,969	510,969	-	510,969	100%
1530125	Building Plans Approval	8,083,700	6,672,600	12,432,688	12,432,688	4,927,616	7,505,072	60%
1530302	Solid Waste	1,846,118	1,600,600	3,072,669	3,072,669	-	3,072,669	100%
1590132	Advertisement	8,056,005	7,343,350	13,408,371	13,408,371	12,518,898	889,473	7%
Transport, Roads and Public Works		**30,821,429**	**38,747,770**	**52,568,419**	**52,568,419**	**31,894,751**	**20,673,668**	39%
1420404	Trailer Parking Fees	6,244,320	4,532,310	10,903,902	10,903,902	2,468,580	8,435,322	77%
1420404	Reserved Parking					3,136,360	(3,136,360)	
1420404	Bus Parking Fees	23,786,609	34,171,460	35,819,848	35,819,848	26,091,811	9,728,037	27%
1540100	Machine Hire	790,500	44,000	5,844,668	5,844,668	198,000	5,646,668	97%
Water, Environment, Irrigation, Natural Resources and Climate Change		**5,505,802**	**4,836,836**	**13,074,793**	**13,074,793**	**5,625,671**	**7,449,122**	57%
1530302	Solid Waste					2,625,470	(2,625,470)	
1530301	Sand Cess	1,334,200	2,108,190	2,206,690	2,206,690	1,214,850	991,840	45%
1420502	Busia Hills Water Supply	962,531	696,339	1,602,032	1,602,032	476,932	1,125,100	70%
1420502	Busijo Water Supply	376,580	267,605	1,035,489	1,035,489	212,895	822,594	79%
1420502	Alema Water Supply		78,576	-	-	700	(700)	
1420502	Munana Water Supply	421,003	266,245	1,109,427	1,109,427	153,387	956,040	86%
1420502	Butula Water Supply	748,271	407,111	1,245,419	1,245,419	304,025	941,394	76%
1420502	Port Victoria Water Supply	1,281,417	193,070	2,132,783	2,132,783	89,972	2,042,811	96%
1540105	Drilling Rig		-	2,903,132	2,903,132	-	2,903,132	100%
1540105	Noise	118,800	312,700	402,086	402,086	358,200	43,886	11%
1540105	Water Bowser	263,000	507,000	437,736	437,736	189,240	248,496	57%
Trade, Investment, Industrialisation, Co-operatives, Small and Micro Enterprises (SME)		**83,112,160**	**71,231,258**	**108,119,798**	**108,119,798**	**78,984,625**	**29,135,173**	27%
1440501	Liqour License	200,000	1,400,000	3,352,189	3,352,189	1,353,000	1,999,189	60%
1520328	Single Business Permit	54,959,591	53,014,797	67,973,538	67,973,538	64,080,118	3,893,420	6%
1550105	Market Stall / Kiosk	671,110	688,764	1,116,992	1,116,992	748,410	368,582	33%
1520405	Markets Fees	15,778,390	14,824,631	31,370,361	31,370,361	12,679,690	18,690,671	60%
1540100	Weghts & Measures	184,170	85,680	306,532	306,532	-	306,532	100%
1520344	Co-Operatives Audit Fees	9,800	28,020	16,314	16,314	44,530	(28,216)	-173%
1540100	Other Miscellaneous	11,509,100	1,189,366	3,983,873	3,983,873	78,877	3,904,996	98%
Total Revenue Local Source		**322,358,227**	**292,736,456**	**469,163,025**	**469,163,025**	**343,922,975**	**125,240,050**	27%
Less: Appropriation in Aid				158,451,783	158,451,783	142,150,611	16,301,172	10%
Total Net Own Source Revenue		**322,358,227**	**292,736,456**	**310,711,243**	**310,711,243**	**201,772,364**	**108,938,879**	35%

Table 5: County Revenue Monthly Analysis for the FY 2021/2022 and FY 2022/2023

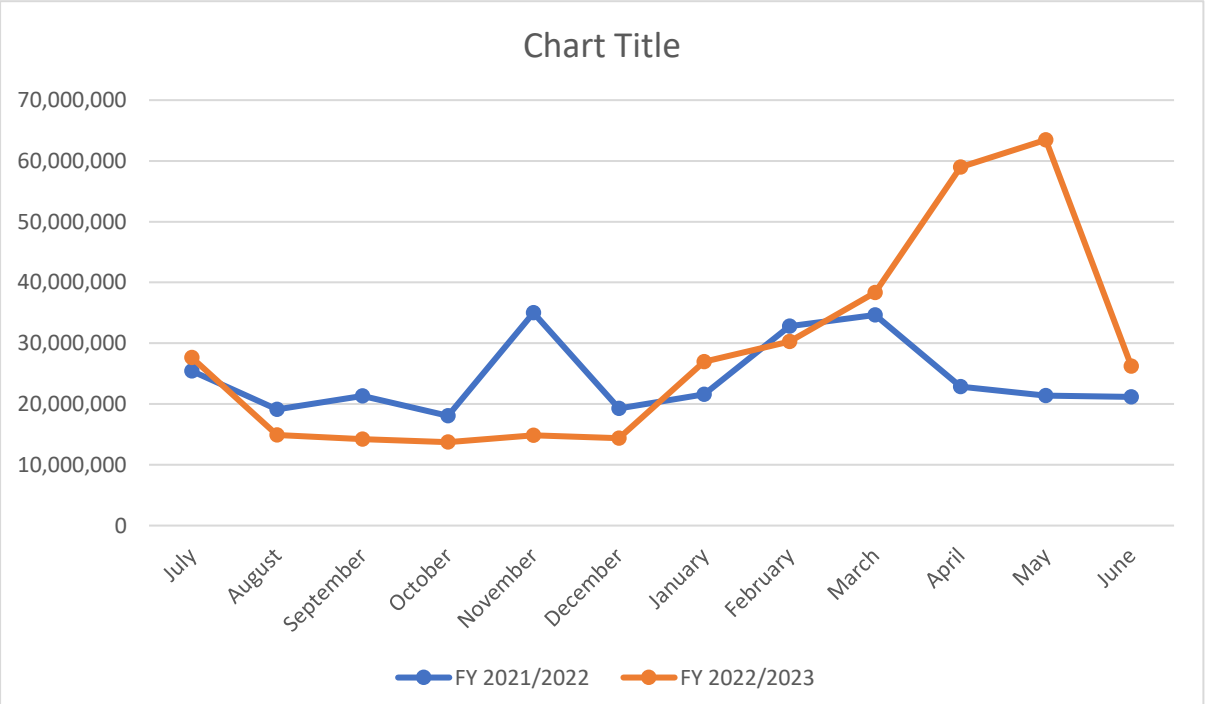
YEARS	FY 2021/2022	FY 2022/2023	VARIANCE	% VARIANCE
July	25,426,452	27,623,728	-2,197,276	-9%
August	19,096,972	14,895,637	4,201,335	22%
September	21,345,072	14,218,087	7,126,985	33%
October	18,065,961	13,722,024	4,343,937	24%
November	35,003,471	14,827,004	20,176,467	58%
December	19,291,737	14,391,545	4,900,192	25%
January	21,608,632	26,938,624	-5,329,992	-25%
February	32,825,849	30,275,408	2,550,441	8%
March	34,653,036	38,341,155	-3,688,119	-11%
April	22,836,500	59,008,821	-36,172,321	-158%
May	21,404,541	63,458,625	-42,054,084	-196%
June	21,178,232	26,222,317	-5,044,085	-24%
Total Revenue	**292,736,456**	**343,922,975**	**-51,186,519**	**-17%**

Source: County Treasur

Graph 2: Revenue Collection comparison between 2021/2022 and 2022/2023



Graph 3: Trend of Revenue Collection for 2021/2022 and 2022/2023



County Expenditure

10) Busia County total approved budget for financial year 2022/2023 was Ksh 9.578 billion. This comprised of Ksh. 3.033 billion as development expenditure representing 32% while recurrent was at Ksh 6.544 billion representing 68% of total approved budget.

11) Recurrent expenditure constituted of Personnel emoluments of Ksh 3.324 Billion and Operations and Maintenance of Ksh 3.221 Billion.

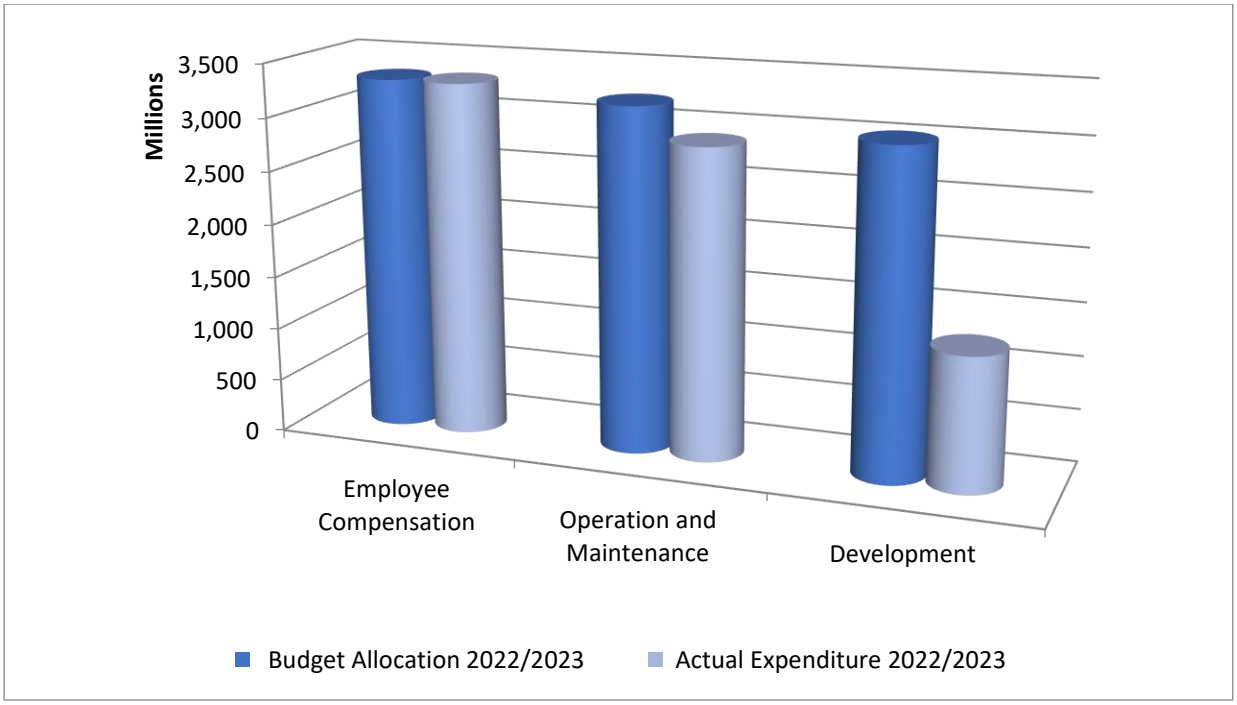
12) County Government total actual expenditure for the year ending June 2022/2023 was Ksh 7.482 billion (78% of total budget). This comprised of actual recurrent and development expenditure of Ksh 6.226 Billion and Ksh 1.257 billion respectively.

Table 6: Summary of the Total County Expenditure

Category	Budget Allocation 2022/2023	Actual Expenditure 2022/2023	Percentage absorption
Recurrent	**6,544,605,284**	**6,225,689,163**	**95.13%**
Employee Compensation	3,323,528,569	3,323,168,859	**99.99%**
Operation and Maintenance	3,221,076,715	2,902,520,304	**90.11%**
Development	3,033,275,641	1,257,066,447	**41.44%**
Total Expenditure	**9,577,880,925**	**7,482,755,609**	**78.13%**

Source: County Treasury

Graph 4: Analysis of Total Expenditure



13) The county wage bill for the FY 2022/23 was Ksh. 3.324 billion, this represents 35% of the total budget of Ksh 9.578 billion as compared to the wage bill for the FY2021/2022 which was Ksh. 3.399 billion that represented 33% of its total budget of Ksh. 10.23 billion.

Table *7*: Analysis of County Wage Bill 2016/17-2022/2023

Financial Year	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Compensation to Employees	2,565,509,171	2,673,066,305	2,924,788,741	3,111,652,998	3,298,758,235	3,398,725,757	3,323,528,569
Total	**2,565,509,171**	**2,673,066,305**	**2,924,788,741**	**3,111,652,998**	**3,298,758,235**	**3,398,725,757**	**3,323,528,569**

Graph 5: Trend of wage Bill for the county 2016/17-2022/23

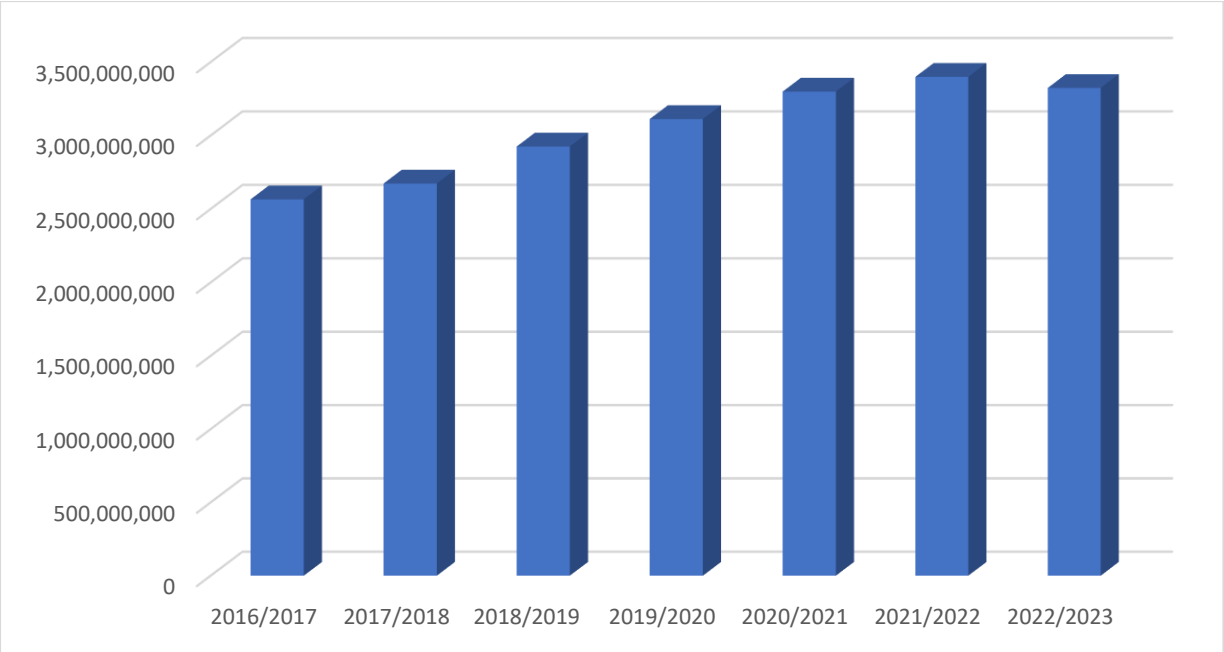
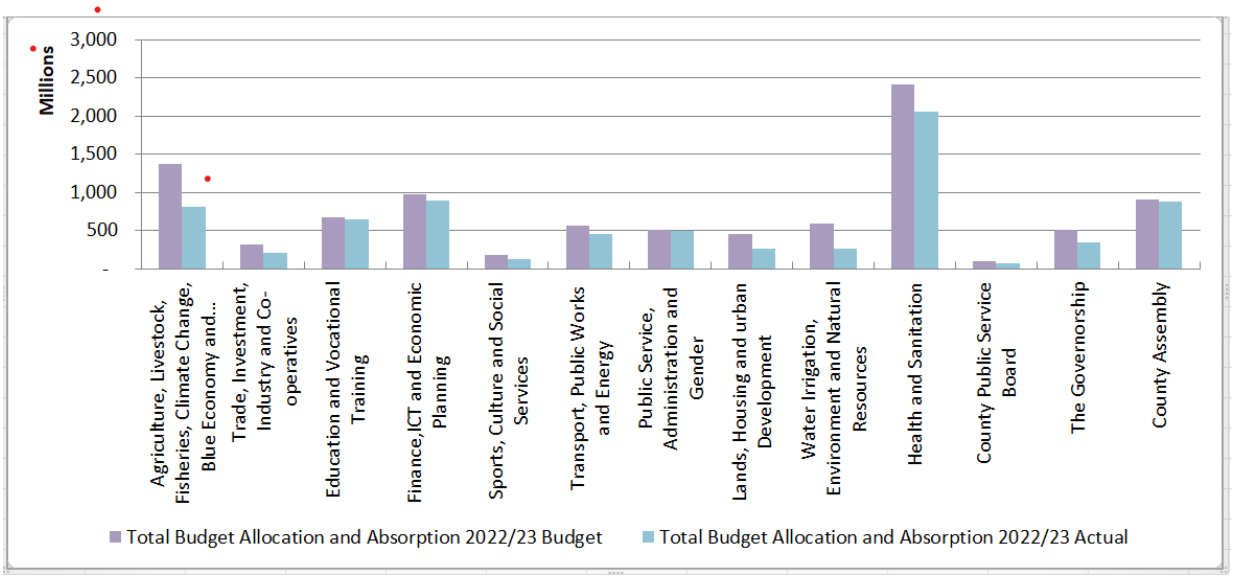


Table 8: Departmental Budget Allocation and Absorption for the FY 2022/2023

		Recurrent Budget Allocation and Absorption 2022/23						Development Budget Allocation and Absorption 2022/23			Total Budget Allocation and Absorption 2022/23		
		Employee Compensation			Operation and Maintenance								
		Budget	Actual	Absorption	Budget	Actual	Absorption	Budget	Actual	Absorption	Budget	Actual	Absorption
1	Agriculture, Livestock, Fisheries, Climate Change, Blue Economy and Agribusiness	188,121,056	188,120,366	100%	86,814,809	82,611,885	95%	1,101,744,545	532,507,718	48%	1,376,680,410	803,239,969	58%
2	Trade, Investment, Industry and Co-operatives	35,735,751	35,735,751	100%	50,244,797	49,429,832	98%	224,354,992	123,768,092	55%	310,335,540	208,933,675	67%
3	Education and Vocational Training	373,925,209	373,925,209	100%	248,910,468	243,911,688	98%	53,848,748	20,691,401	38%	676,684,425	638,528,298	94%
4	Finance, ICT and Economic Planning	433,673,627	433,665,305	100%	461,284,095	458,033,940	99%	74,758,820	1,637,229	2%	969,716,542	893,336,474	92%
5	Sports, Culture and Social Services	34,572,775	34,572,775	100%	81,668,115	61,811,860	76%	61,790,896	33,182,164	54%	178,031,786	129,566,799	73%
6	Transport, Public Works and Energy	102,166,665	102,133,725	100%	98,926,549	95,211,334	96%	365,644,618	252,908,783	69%	566,737,832	450,253,842	79%
7	Public Service, Administration and Gender	120,311,116	120,311,116	100%	381,255,140	371,350,378	97%	-	-		501,566,256	491,661,494	98%
8	Lands, Housing and urban Development	54,178,401	54,178,401	100%	140,886,977	114,978,387	82%	264,057,868	92,765,037	35%	459,123,246	261,921,825	57%
9	Water Irrigation, Environment and Natural Resources	65,238,335	65,155,480	100%	131,766,652	89,967,329	68%	400,075,850	99,719,056	25%	597,080,837	254,841,865	43%
10	Health and Sanitation	1,352,762,588	1,352,622,535	100%	668,504,926	636,592,998	95%	396,702,959	71,882,270	18%	2,417,970,473	2,061,097,803	85%
11	County Public Service Board	35,977,949	35,956,893	100%	64,724,196	37,678,669	58%	-	-		100,702,145	73,635,562	73%
12	The Governorship	95,809,264	95,735,470	100%	385,949,991	240,802,003	62%	30,296,345	5,877,993	19%	512,055,600	342,415,466	67%
13	County Assembly	431,055,833	431,055,833	100%	420,140,000	420,140,000	100%	60,000,000	22,126,706	37%	911,195,833	873,322,539	96%
	Totals	**3,323,528,569**	**3,323,168,859**	**100%**	**3,221,076,715**	**2,902,520,304**	**90%**	**3,033,275,641**	**1,257,066,447**	**41%**	**9,577,880,925**	**7,482,755,609**	**78%**

Source: County Treasury



Graph 6: **Graphical representation of departmental budget allocation against absorption**

14) The departments of Public Service Management, County Assembly and Education had the highest absorption rate at 98%, 96%, 93% respectively.

15) Departments of Water, Irrigation, Environment and Natural Resources, Lands Housing and Urban Development and Agriculture Livestock and Fisheries recorded the lowest absorption during the period with a rate of 40%, 57% and 59% respectively.

Expenditure performance at the Programme and Sub Programme level

department	Programme	Sub-Programme	Revised Budget	Revised Budget	Actual Expenditure FY 2022/23	Actual Expenditure FY 2022/23	Variance	Absorption Rate (%)	Absorption Rate (%)
			Ksh	Ksh	Ksh	Ksh	Ksh		
			Recurrent	Development	Recurrent	Development		Recurrent	Development
Agriculture, Livestock and Fisheries	**CP 1:** General Administration and support services	**CSP 1.1:** Administrative support service	274,935,865	-	270,732,251	0	4,203,614	98%	0%
	CP 2: Land use and management	**CSP 2.1:** Agricultural mechanization	-	14,582,112	0	0	14,582,112	0%	0%
	CP 3: Crop production and Management	**CSP 3.1** Input support services	-	4,397,440	0	0	4,397,440	0%	0%
		CSP 3.2: Crop development	-	10,400,000	0	4,292,868	6,107,132	0%	41%
		CSP 3.3: Crop protection	-	7,198,880	0	1,150,000	6,048,880	0%	16%
	CP 4: Agricultural Training and Extension Services	**CSP 4.1:** Agriculture extension services	-	-	0	0	-	0%	0%
		CSP 4.2: Agricultural Training services	-	74,309,217	0	37,119,731	37,189,486	0%	50%
	CP 5: Kenya Climate SMART Agriculture program	**CSP 5.1:** Kenya Climate SMART	-	654,710,461	0	283,798,546	370,911,916	0%	43%
	CP 6: Agribusiness and agricultural Value chain Development	**CSP 6.1:** Value addition	-	73,000,000	0	0	73,000,000	0%	0%
	CP 7: Agricultural Financial and Investment services	**CSP 7.1:** Agriculture development fund	-	5,000,000	0	5,000,000	-	0%	100%
	CP 8: Fisheries and Aquaculture Resource Development	**CSP 8.1:** Aquaculture development	-	17,241,598	0	6,326,843	10,914,755	0%	37%
		CSP 8.2: Fisheries training infrastructure development	-	20,999,935	0	9,496,230	11,503,705	0%	45%
	CP 9: Livestock Production Development	**CSP 9.1:** Livestock production improvement	-	5,058,555	0	2,500,000	2,558,555	0%	49%
		CSP 9.2: Livestock Extension	-	-	0	0	-	0%	0%
	CP 10: Veterinary health services	**CSP 10.1:** Veterinary Disease control	-	25,971,303	0	22,864,369	3,106,934	0%	88%
		CSP 10.2: AI services	-	3,823,600	0	1,414,886	2,408,714	0%	37%
		CSP 10.3: Meat inspection services	-	8,799,886	0	0	8,799,886	0%	0%
		CSP 10.4: Veterinary Extension	-	2,000,000	0	1,506,300	493,700	0%	75%
	CP 11: Other projects	**CSP 11.1:** Other Development projects	-	174,251,558	0	157,037,946	17,213,612	0%	90%
Trade, Investment, Industry and Cooperatives	**CP 12:** General Administration and support services	**CSP 12.1:** Administrative support service	85,980,548	-	85,165,583	0	814,965	99%	0%
	CP 13: Trade Development	**CSP 13.1:** Busia county trade development fund	-	-	0	0	-	0%	0%
		CSP 13.2: Market modernization and development	-	196,109,112	0	115,740,694	80,368,418	0%	59%
	CP 14: Fair Trade practices	**CSP 14.1:** Weights and measures.	-	3,000,000	0	0	3,000,000	0%	0%
	CP 15: Cooperative development	**CSP 15.1:** Busia county cooperative enterprise development fund	-	8,000,000	0	0	8,000,000	0%	0%

department	Programme	Sub-Programme	Revised Budget	Revised Budget	Actual Expenditure FY 2022/23	Actual Expenditure FY 2022/23	Variance	Absorption Rate (%)	Absorption Rate (%)
			Ksh	Ksh	Ksh	Ksh	Ksh		
			Recurrent	Development	Recurrent	Development		Recurrent	Development
	CP 16: Other projects	**CSP 16.1:** Other Development projects	-	17,245,880	0	8,027,399	9,218,481	0%	47%
Education and Vocational Training	**CP 17:** General Administration and support services	**CSP 17.1:** Administrative support service	622,835,677	-	617,836,897	0	4,998,780	99%	0%
	CP 18: Early Childhood Development Education (Basic Education)	**CSP 18.1:** Improvement of infrastructure in E.C.D.E Centers	-	-	0	0	-	0%	0%
		CSP 18.2: E.C.D.E Capitation	-	8,806,048	0	0	8,806,048	0%	0%
	CP 19: Technical/ vocational training development	**CSP 19.1:** Infrastructure development	-	17,229,850	0	0	17,229,850	0%	0%
	CP 20: Education support	**CSP 20.1:** Education support scheme	-	2,139,336	0	0	2,139,336	0%	0%
	CP 21: Other projects	**CSP 21.1:** Other Development projects	-	25,673,514	0	20,691,401	4,982,113	0%	81%
Finance and Economic planning	**CP 22:** General Administration and support services	**CSP 22.1:** Administrative support service	894,957,722	-	891,699,246	0	3,258,476	100%	0%
	CP 23: Financial management control and development	**CSP 23.1:** Revenue generation services	-	60,397,425	0	0	60,397,425	0%	0%
	CP 24: Infrastructure Development	**CSP 24.1:** Construction and Renovation	-	-	0	0	-	0%	0%
		CSP 24.2: ICT Support services	-	8,361,500	0	1,637,229	6,724,271	0%	20%
	CP 25: Other projects	**CSP 25.1:** Other Development projects	-	5,999,895	0	0	5,999,895	0%	0%
Sports, Culture and Social Services	**CP 26:** General Administration and support services	**CSP 26.1:** Administrative support service	116,240,890	-	96,384,635	0	19,856,256	83%	0%
	CP 27: Social services	**CSP 27.1:** infrastructural development	-	10,606,837	0	0	10,606,837	0%	0%
	CP 28: Youth Empowerment and development	**CSP 28.1** Equipping and Operationalization of youth empowerment	-	6,700,325	0	0	6,700,325	0%	0%
	CP 29: Promotion and development of sports	**CSP 29.1:** Infrastructural development	-	5,000,000	0	0	5,000,000	0%	0%
		CSP 29.2: sports promotion	-	11,474,200	0	9,449,651	2,024,549	0%	82%
	CP 30: Child care and protection	**CSP 30.1:** Rehabilitation and custody	-	3,251,181	0	981,776	2,269,405	0%	30%
	CP 31: Promotion and development of local tourism in the county	**CSP 31.1:** Tourism development	-	-	0	0	-	0%	0%
	CP 32: Alcoholic drinks and drugs control	**CSP 32.1:** Infrastructure development	-	-	0	0	-	0%	0%
	CP 33: Other projects	**CSP 33.1:** Other Development projects	-	24,758,353	0	22,750,737	2,007,616	0%	92%
Infrastructure and Energy	**CP 34:** General Administration and support services	**CSP 34.1:** Administrative support service	201,093,214	-	197,345,059	0	3,748,155	98%	0%
	CP 35: Development and maintenance of roads	**CSP 35.1:** Routine maintenance of roads	-	78,763,123	0	76,320,305	2,442,818	0%	97%
		CSP 35.2: Development of Roads	-	43,597,270	0	19,785,516	23,811,754	0%	45%

department	Programme	Sub-Programme	Revised Budget	Revised Budget	Actual Expenditure FY 2022/23	Actual Expenditure FY 2022/23	Variance	Absorption Rate (%)	Absorption Rate (%)
			Ksh	Ksh	Ksh	Ksh	Ksh		
			Recurrent	Development	Recurrent	Development		Recurrent	Development
	CP 36: Building Infrastructure Development	**CSP 36.1:** Infrastructure Development	-	-	0	0	-	0%	#DIV/0!
	CP 37: Energy Development	**CSP 37.1** Energy Services	-	2,400,000	0	0	2,400,000	0%	0%
		CSP 37.1: Solar Energy Exploration	-	17,141,077	0	0	17,141,077	0%	0%
	CP 38: Alternative Transport Infrastructure Development	**CSP 38.1:** Road safety campaign	-	637,345	0	0	637,345	0%	0%
	CP 39: Other projects	**CSP 39.1:** Other Development projects	-	223,105,803	0	156,802,962	66,302,841	0%	70%
Public Service and Administration	**CP 40:** General Administrative and support services	**CSP 40.1:** Administrative support services	501,566,256	-	491,661,494	0	9,904,762	98%	0%
Lands, Housing and Urban Development	**CP 41:** General Administrative and support services	**CSP 41.1:** Administrative support services	195,065,378	-	169,156,788	0	25,908,591	87%	0%
	CP 42: County Land Administration and planning	**CSP 42.1:** Land use planning	-	6,000,000	0	0	6,000,000	0%	0%
	CP 43: Housing Development and Management	**CSP 43.1:** Housing Development	-	40,000,000	0	0	40,000,000	0%	0%
	CP 44: Urban management and development control	**CSP 44.1:** Urban management	-	166,768,933	0	61,168,186	105,600,747	0%	37%
		CSP 44.2: Urban Development	-	49,788,935	0	31,596,851	18,192,085	0%	63%
	CP 45: Other projects	**CSP 45.1:** Other Development projects	-	1,500,000	0	0	1,500,000	0%	0%
Water, Irrigation, Environment and Natural Resources	**CP 46:** General Administrative and support services	**CSP 46.1**: Administrative support services	197,004,987	-	155,122,809	0	41,882,177	79%	0%
	CP 47: Water supply services	**CSP 47.1:** Urban water supply and sewerage	-	37,979,094	0	5,032,444	32,946,651	0%	13%
		CSP 47.2: Rural water supply	-	38,872,743	0	14,872,807	23,999,936	0%	38%
	CP 48: Environmental management and protection	**CSP 48.1** Environmental management	-	9,974,500	0	0	9,974,500	0%	0%
	CP 49: Small holder irrigation and drainage	**CSP 49.1:** Irrigation infrastructure development	-	7,000,000	0	637,430	6,362,570	0%	9%
	CP 50: Forest development and management	**CSP 50.1:** Rehabilitation and Restoration degraded landscape	-	8,533,103	0	0	8,533,103	0%	0%
	CP 51: Climate Change Fund	**CSP 51.1:** Financing Locally-Led Climate Action Program (FLLOCA) - County contribution	-	55,000,000	0	19,179,647	35,820,353	0%	35%
		CSP 51.2: Financing Locally-Led Climate Action Program (FLLOCA)	-	125,000,000	0	2,897,951	122,102,049	0%	2%
	CP 52: Other projects	**CSP 52.1:** Other Development projects	-	117,716,410	0	57,098,778	60,617,632	0%	49%
Health and sanitation	**CP 53:** General Administration and support services	**CSP 53.1:** Administrative support service	2,021,267,514	-	1,989,215,533	0	32,051,981	98%	0%
	CP 54: Curative Health Services	**CSP 54.1**: Infrastructure development	-	118,364,906	0	40,059,854	78,305,052	0%	34%

department	Programme	Sub-Programme	Revised Budget	Revised Budget	Actual Expenditure FY 2022/23	Actual Expenditure FY 2022/23	Variance	Absorption Rate (%)	Absorption Rate (%)
			Ksh	Ksh	Ksh	Ksh	Ksh		
			Recurrent	Development	Recurrent	Development		Recurrent	Development
		CSP 54.2: Hospital equipment	-	38,515,654	0	0	38,515,654	0%	0%
		CSP 54.3: Blood transfusion Services	-	-	0	0	-	0%	0%
	CP 55: Preventive and Promotive Health Services	**CSP 55.1:** Infrastructure development	-	56,837,966	0	1,815,011	55,022,955	0%	3%
		CSP 55.2: Lower level hospital equipment	-	24,044,650	0	0	24,044,650	0%	0%
		CSP 55.3: Preventive Services	-	-	0	0	-	0%	0%
		CSP 55.4: Health promotion unit	-	143,358,107	0	17,945,129	125,412,978	0%	13%
	CP 56: Other projects	**CSP 56.1:** Other Development projects	-	15,581,676	0	12,062,276	3,519,400	0%	77%
County Public Service Board	**CP 57**: General Administration and support services	**CSP 57.1:** Administrative support service	100,702,145	-	73,635,562	0	27,066,583	73%	0%
Governorship	**CP 58:** General Administration and support services	**CSP 58.1:** Administrative support service	481,759,255	-	336,537,473	0	145,221,782	70%	0%
	CP 59: Disaster Risk Management	**CSP 59.1**: Disaster preparedness	-	20,550,000	0	4,579,493	15,970,508	0%	22%
	CP 60: Information Dissemination and Knowledge Management	**CSP 60.1:** Communication Services	-	5,141,000	0	1,298,500	3,842,500	0%	25%
	CP 61: ICT support Services	**CSP 61.1**: ICT Services	-	-	0	0	-	0%	0%
	CP 62: Other projects	**CSP 62.1:** Other Development projects	-	4,605,345	0	0	4,605,345	0%	0%
County Assembly	**CP 63**: General Administration and support services	**CSP 63.1:** Administrative support service	851,195,833	-	851,195,833	0	-	100%	0%
	CP 64: Infrastructure Development	**CSP 64.1:** Infrastructure	-	60,000,000	0	22,126,706	37,873,294	0%	37%
	Total Expenditure		**6,544,605,284**	**3,033,275,641**	**6,225,689,163**	**1,257,066,452**	**2,095,125,315**	**95%**	**41%**

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

Recent Economic Developments

16) Kenya's real GDP growth according to African Development Bank decreased from 7.5% in 2021 to 5.5% in 2022 as a result of drought, rising commodity prices, and challenging international financial conditions. Services dominated the market on the supply side, while home consumption dominated the market on the demand side. It was however projected that household spending and the service sector will generate GDP growth of 5.6% in 2023 and 6.0% in 2024.

17) Inflation in food and energy drove the increase in inflation from 6.1% in 2021 to 7.6% in 2022. Subsidies and an increase in the policy rate to 8.25% from 7% in 2021 both helped to restrain inflation. Due to increased tax collection and adherence to the fiscal consolidation path approved by the International Monetary Fund, the fiscal deficit decreased from 8.2% of GDP in 2021 to 6.3% of GDP in 2022. Food and energy inflation are expected to cause inflation to increase to 8.6% in 2023 and 5.9% in 2024. Ongoing tightness in monetary policy is anticipated.

18) At the end of 2022, the Kenyan shilling was worth 123.3 US cents compared to 110.2 cents at the end of 2021; 18.9% and 55%, respectively, of the capital adequacy ratio and liquidity ratio above the corresponding benchmarks of 14.5% and 20%. At 14%, the ratio of nonperforming loans remained high. Manufacturing, energy and water, and agriculture all have substantial credit risk concentrations.

19) Despite the economy facing difficult global financial conditions, shocks to fuel and food prices, and a record drought that had an impact on the economy, particularly in the second half of 2022, the growth rate still continued to follow Kenya's long-term growth track.

20) External risks during the period included further tightening of financial conditions in advanced economies, poorer than expected growth in Europe, increased global commodity prices that could increase Kenya's import costs and raise the cost of lowering inflation. The majority of domestic risks were related to demands on expenditure to lower the high cost of living and a delay in tax efforts.

21) In the financial year 2022/23 several projects were undertaken in the county to improve the economic and developmental status of Busia county citizens and the county at large. These were in areas of agriculture, early childhood education and vocational training, health and sanitation, transport, trade and industrialization among others.

22) The department of agriculture aligned itself to the Bottom Up Economic Transformation Agenda (BETA) of agriculture revitalization by focusing on agro-processing, increasing market participation and value addition supported by establishment of Industrial park at Nasewa, revival of Mulwanda cotton Ginnery and Gazettement of EPZ zone.

23) The department of Trade, Industry, Investment and Cooperatives in collaboration with Trade Mark Africa (TMA) constructed and commissioned the Modern Busia Soko-Posta safe market with a capacity of 160 stalls that were allocated to traders who were affected by the beautification and reorganization exercise within the Busia municipality.

24) In the year under review, it also commenced the development of County Aggregation and Industrial Park (CAIP) at Nasewa as one of the flagship projects of the County

25) Vocational Training directorate in the department of Education and Vocational Training initiated the process of construction of Administration block phase II at Katakwa and Namasali VTC and completion of twin workshop at Busagwa VTC, distributed 216 Sewing Machines to all 27 VTCs across the County. The directorate also trained VTC Managers and Trainers on Competency –Based Education and Training (CBET) Curriculum.

26) The department of Transport, Public Works and Energy initiated the process of reconstructing Sidokho timber foot bridge in Bunyala South ward and Bubamba timber foot bridge in Bunyala central ward. The department also commenced construction of seven road access culverts in Matayos and Teso South sub counties and approximately 70 km of new roads opened under the machine hire arrangement.

27) Further a total 42.25 km of earth roads were maintained through the in-house Programme such as kodurkoit road, kocholia hospital road, railways-komolo road among others

28) In the FY 2022/2023, the department of Lands, Housing and Urban development realized various achievements through its directorates. Through the Municipality of Busia, under the Kenya Urban Support Programme, 0.8 km of Alupe Ring Road has been tarmacked. Furthermore, the department subcontracted 21 firms to manage solid waste across the county.

29) The county department of Water, Irrigation and Natural Resources maintained 14 water systems, installation of 2 storage tanks of $24M^3$, development of 10 km pipe extension in urban supplies and solarization of Mujini borehole

30) Health and Sanitation department trained a total of 1,850 Community Health Promoters (CHPs) on Community Case Management of Malaria and 876 CHPs trained on Integrated Community Case Management which is a strong community-based component to deliver interventions for diagnostics and treatment to multiple illnesses specifically pneumonia, diarrhea, malaria newborn care and acute severe malnutrition for sick children of families with

difficult access to case management at health facilities. Further, In collaboration with the National government, the department constructed and operationalized 100 bed capacity a Surgical ward at BCRH.

Analysis of Expenditure

31) This section compares actual spending for the fiscal year 2022/2023 to the approved budget to provide an analysis of the two arms of the County Government.

County Executive

32) The County Executive allocation for the Financial Year 2022/2023 was Ksh 8.667 billion. The actual spending for the period from July 2022 to June 2023 was Ksh. 6.587 billion, translating to 76% absorption rate. The under absorption was attributed to late disbursement of Exchequer releases, underperformance in own source revenue as well as conditional grants that were pledged but not remitted to the County.

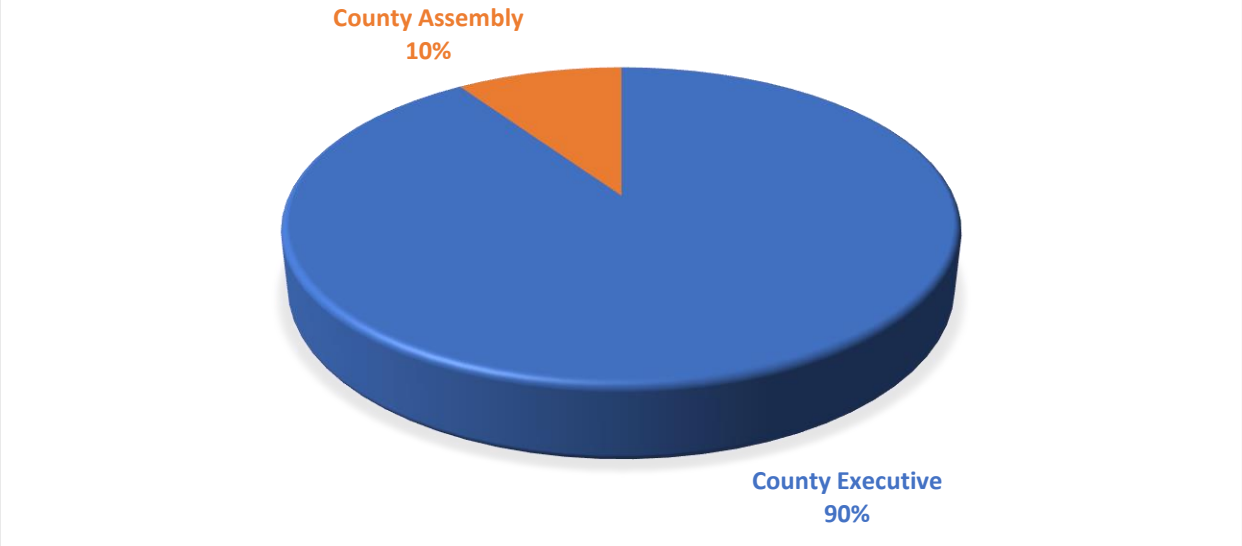
County Assembly

33) The County Assembly budget allocation for Fiscal Year 2022/2023 was Ksh. 911.20 million. Ksh 873.32 million was the actual expenditure which equates to an absorption rate of 96%,

Allocation Analysis

Description.	Amount. (Ksh)	Percentage
County Executive	8,666,685,092	90%
County Assembly	911,195,833	10%
TOTAL.	9,577,880,925	100%

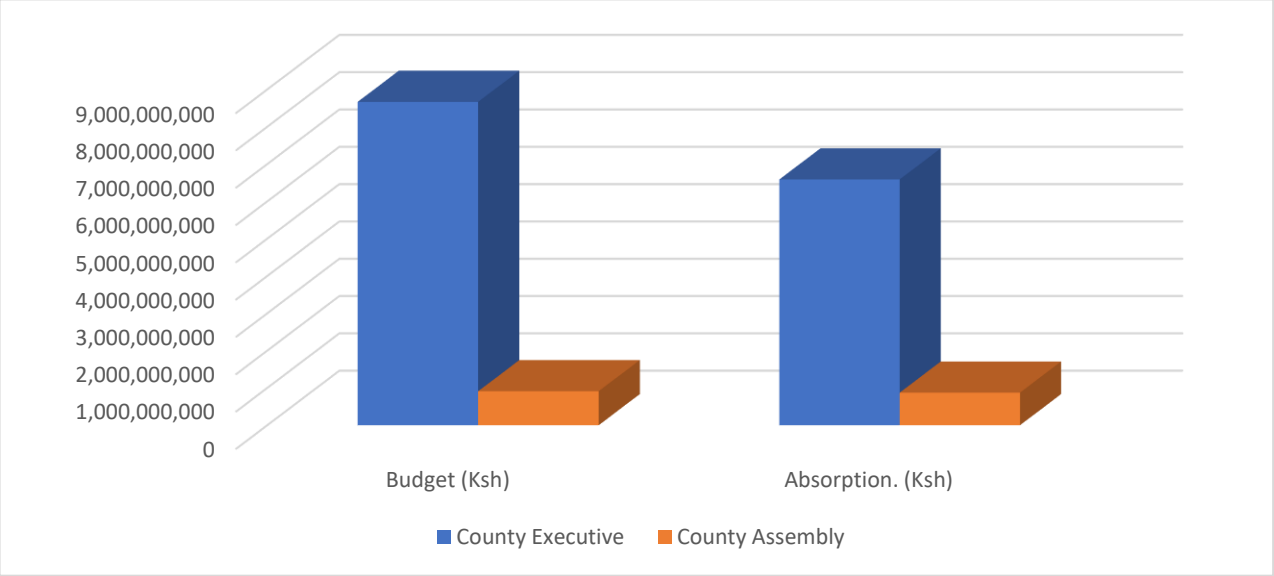
Chart 1: Allocation Analysis



Absorption Analysis-County Executive and Assembly

Description.	Budget (Ksh)	Absorption. (Ksh)	Percentage
County Executive	8,666,685,092	6,586,846,002	76%
County Assembly	911,195,833	873,322,539	96%
TOTAL.	9,577,880,925	7,460,168,541	78%

Absorption Analysis-County Executive and Assembly



Adherence to fiscal responsibility principles

34) In line with Article 201 of the constitution 2010 and section 107 of the PFM Act 2012 the County Government has adhered to the fiscal responsibility principles as outlined below:

I. **The county government's recurrent expenditure shall not exceed the county government's total revenue;** The County Government recurrent expenditure was Kshs.6.22 Billion representing 78 percent of the total actual revenue hence the County complied with the fiscal responsibility principle by the recurrent expenditure not exceeding the 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;** Over the medium term the County Government has maintained a minimum allocation of 30 percent on development budget. In the FY 2022/2023 the County allocated 32 percent on development expenditure and expended 1.2 Billion translating to 17 percent of total expenditure for the year under review.

It is worth noting that the low absorption of capital expenditure can be attributed to reduced activities occasioned by the late release of funds, underperformance in Own Source Revenue and non-remittance of some conditional grants for development activities.

III. **The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;** In line with section 25(1) (b) of the PFM (County Governments) regulations 2015, County Governments are required not to exceed 35 percent of their total revenue on wages and benefits. In the FY 2022/2023 the County Government allocation on employee compensation was at 34.7 percent which was lower than the stipulated 35 percent. The County's total expenditure on employee compensation was Ksh. 3.32 Billion of the total expenditure of Ksh. 7.46 Billion this translates to 44.5 percent of the total expenditure. The percentage is attributed to low absorption of development expenditure and underperformance on own source revenue.

IV. **Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;** Over time the County Government has been implementing a balanced budget. In the long run if and when the County incorporates borrowings/public debt in its budget then it shall be used only for capital expenditure.

V. **The county debt shall be maintained at a sustainable level as approved by county assembly;** The County Government has put measures to ensure realistic projections and subsequent collection of own source revenues which include automation of revenue streams. This will ensure implementation of a balanced budget hence reducing recurring pending bills.

VI. **The fiscal risks shall be managed prudently;** The County Government has put forth measures to increase own source revenue collection such as revenue automation and increasing revenue streams and ensure focus on priority programs.

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. The County Government through preparation of the Finance Act ensured charges, fees and levies are prudently imposed and are in line with the statutory laws.

IV. ANALYSIS OF EXPENDITURE PER DEPARTMENT

1) Agriculture, Livestock and Fisheries

35) The Department of Agriculture, Livestock and Fisheries has a vision to be a Leading County in food security and sufficiency for sustainable livelihoods.

36) The Departments Mission is to improve the livelihoods of Busia County residents through the promotion of competitive agriculture and provision of support services while ensuring a sustainable natural resource base.

37) The department has four directorates namely: Crops, Livestock Production, Veterinary and Fisheries.

38) The departments mandate is to improve livelihood of Busia County residents through promotion of competitive agriculture, sustainable livestock and fisheries. It's the responsible authority over the entire value chain of crop husbandry, livestock production and fisheries as a fully devolved functions under schedule IV of the Constitution of Kenya.

Key Achievements Highlights

39) A total of 459 fish farmers from 5 Aquaculture Business Development Program (ABDP) working sub counties benefited from the supply of 459,000 fingerlings; Butula (80,000), Matayos (80,000), Teso South (115,000), Samia (120,000) and Nambale (64,000).

40) Farmers across the County benefitted from distribution of fish feeds. A total of 3,822 (25 kg) bags of fish feeds were distributed to five sub counties as follows; Matayos 666 (25 kgs) of bags; Butula 666 (25 kgs) of bags, Teso South 957 (25 kgs) of bags, Nambale 534 (25 kgs) of bags and Samia 1000 (25 kgs) of bags.

41) Further, 183,000 fingerlings and 15,000 kgs of fish feeds were supplied to small holder cage farmers as a measure of reducing fishing pressure in the lake and providing alternative livelihood for the fisher folk, two aquaparks (Kamarinyang', Siunga) Completed and stocked

42) To strengthen evidence-based planning and budgeting, the directorate of Livestock in collaboration with State Department for Livestock and KALRO conducted a Livestock Census for Busia County for the purposes of Developing a Livestock Master Plan. A total of 86,812 households were listed as livestock farming households in Busia County.

43) In addition, 8,684 farmers trained on livestock husbandry practices and innovations in collaboration with ASDSP, KCSAP and other partners.

44) The Directorate of Livestock established 28 acres of fodder as a result of 50 kg of Bhoma Rhodes seeds and bracharia splits Procured.

45) To increase tonnage of poultry meat produced, the directorate of livestock through KCSAP operationalized the poultry parks which led to increase in annual poultry meat produced by

10%. The Out-grower units have production capacity of 144 tons annually valued at Ksh 57.6 million.

46) The directorate of vetenary completed the construction of 7 Crush Pens at (Ang'urai North-Adumai, Malaba Central-Awata Bukhayo North-Khwirale, Amukura Central-Apatit, Namboboto-Khabondi, Bunyala North Mumoni & Budubusi and 2 cattle dips, Mayenje (Mayenje ward) and Changara (Angurai East ward) have been completed and are operationalized.

47) The mass vaccination compaign conducted led to a total of 34,774 cattles, 2,039 sheep and 4,759 goats vaccinaated against FMD, LSD & Blanthrax,

48) A total of 8.4 tons of certified maize seed was procured and distributed to farmers which translated to 840 acres of land being planted with a projected yield of 6,720 of 90Kg bags of maize.

49) In addition, 346 (50 kgs) bags Top dressing fertilizer (CAN) was procured and distributed to farmers in Busibwabo ward. This aimed to increase productivity of maize.

50) The department procured 700 sachets of 50 grams spider plant seeds and distributed to horticulture farmers which was projected to have 70 acres of land under spider plant vegetables. The project was aimed to address micro nutrient deficiency and household incomes.

51) Further, 1,195 liters of pesticides were procured and distributed to farmers across the county. This aimed at reduction of crop loss by attack and spread from African army worm and fall army worm.

Recent Economic Development in the Department

52) The department has aligned itself to the Bottom Up Economic Transformation Agenda of agriculture transformation by focusing on agro-processing, increasing market participation and value addition supported by establishment of Industrial park at Nasewa, revival of Mulwanda cotton Ginnery and Gazettement of EPZ zone.

53) It's shifting its focus from fragmented production to aggregated production through establishment of aquaparks, poultry parks and dairy parks with the aim of increasing production and ensuring food security.

Risk to the Outlook

54) The risks to the outlook over the Medium-Term include weak internal control systems within the revenue collection and complacency of the citizens. Tackling these issues will reduce the risk and increase revenue collections

55) Public expenditure pressures, especially recurrent expenditures, pose a fiscal risk. Wage bill pressures and the need to hire more personnel limit funding for development expenditure.

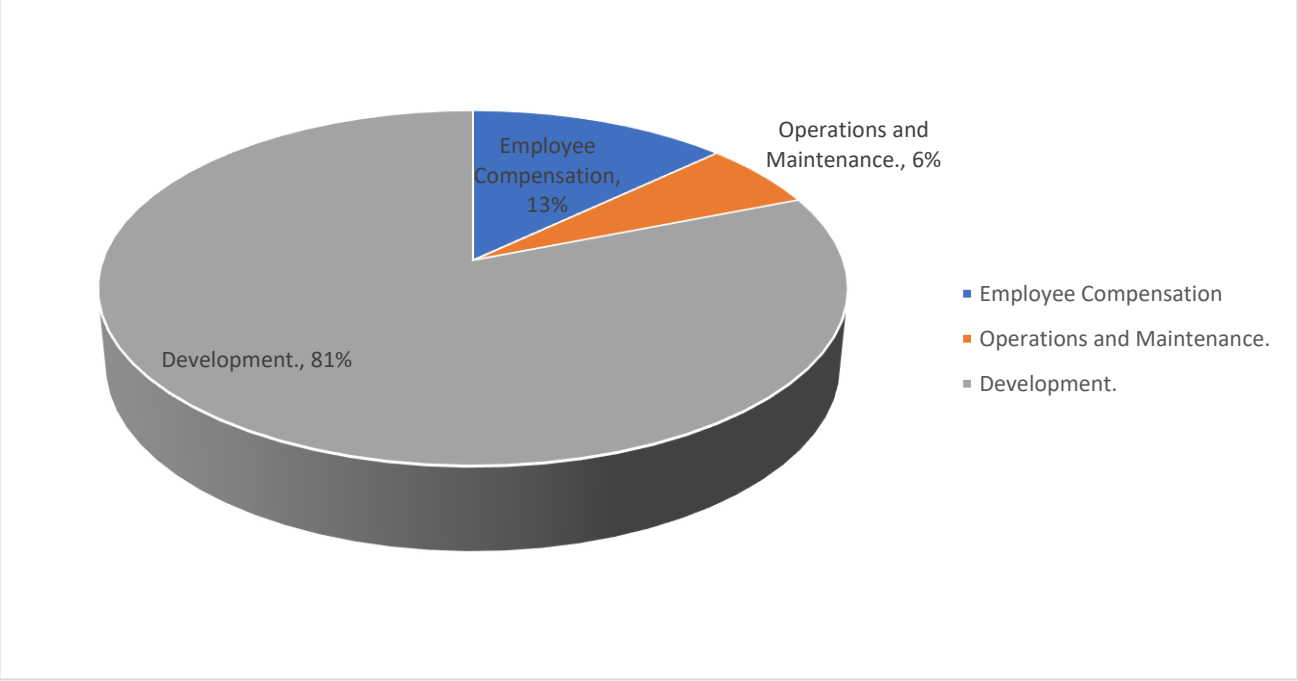
56) The County Government will undertake appropriate measures to safeguard fiscal stability should these risks materialize by mitigating against them.

57) In the FY 2022/2023, the total approved budget for the department amounted to Ksh **1,376,680,410**which constituted to **14%** of the overall budget. This comprised of Ksh **1,101,744,545 (81%)** allocated to development expenditure and Ksh **274,935,865 (19.3%)** allocated to recurrent Expenditure.

Table 3: Allocation Analysis by Economic Classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	188,121,056	13
2	Operations and Maintenance.	86,814,809	6
3	Development.	1,101,744,545	81
	TOTAL.	**1,376,680,410**	**100**

Chart 2: Allocation Analysis

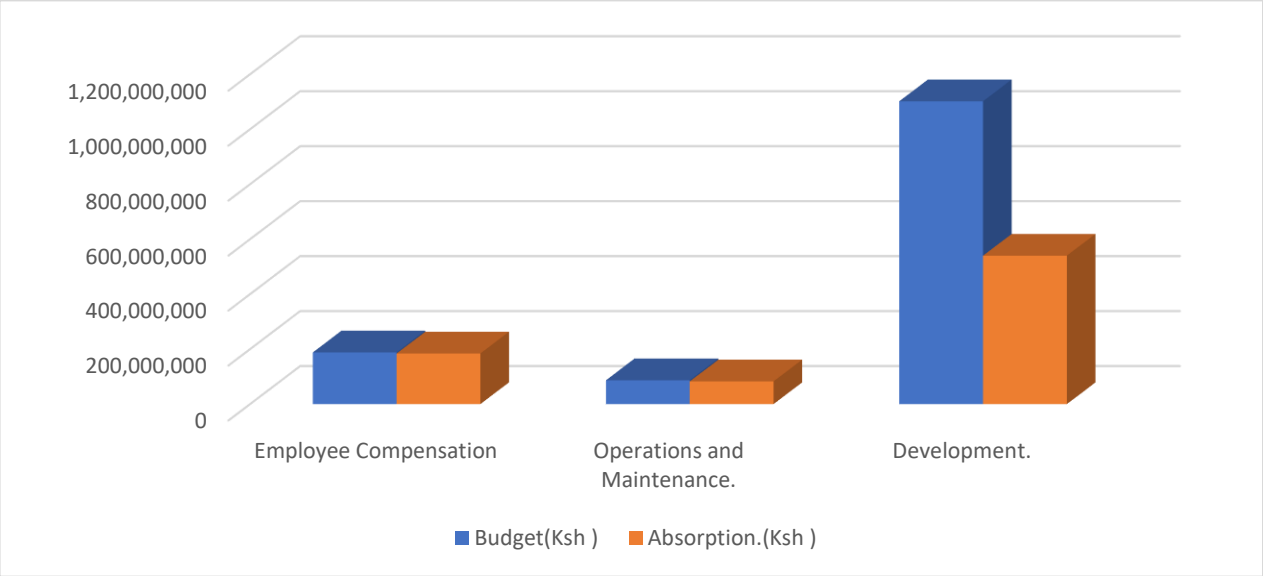


58) Development budget allocation was the highest with an allocation of 81%, Personnel Emolument was second with an allocation of 15%, while Operations and maintenance was the least with an allocation of 4%.

Table 4: Absorption Analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	188,121,056	184,120,435	98%
2	Operations and Maintenance.	86,814,809	82,611,885	95%
3	Development.	1,101,744,545	540,043,683	49%
	TOTAL.	**1,376,680,410**	**806,776,003**	**58.60**

Graph 6: Absorption Analysis- Agriculture, livestock and Fisheries.



59) The total absorption was Ksh 806.7 million representing 59% of the total departmental budget. Development vote absorption was at 49%. The department utilization of the Personnel Emoluments was at 98% while Operations and Maintenance absorption was at 95%.

2) Trade, Investment, Industry and Cooperatives

60) The vision of the department is to be a leading department in the promotion of trade, co-operative movement and investment.

61) The mission is to foster inclusive and sustainable socio-economic development through promoting investment in trade, entrepreneurship, innovations, value addition and co-operative development.

62) The Department's mandate is to facilitate and promote the development of trade and cooperative activities. This objective is achieved through the implementation of various programs aimed at diversification, innovation, value addition, information sharing, market linkages, and trade infrastructure support.

63) The sector comprises four directorates, namely Trade, Cooperatives, Industry, and Investments.

64) The Trade directorate plays a crucial role in facilitating the growth of business enterprises countywide. It is responsible for the development and coordination of businesses across the county.

65) The Cooperatives directorate focuses on supporting and advancing cooperative societies' development throughout the county. Meanwhile, the Industry directorate is responsible for promoting and establishing industries within the county.

66) The department also aims to promote self-reliance through the Investments Directorate. This is achieved by implementing various programs that target diversification, innovation, value-addition, information sharing, market linkages, and support for trade infrastructure. Ultimately, the department's objective is to enhance business, employment, and wealth creation in the county.

67) In the year under review, the department commenced the development of County Aggregation and Industrial Park (CAIP) at Nasewa as one of the flagship projects of the County.

68) The directorate of Trade initiated the formulation of County Investment Policy, which plays a crucial role in operationalization of the Industrial Park, Export Processing Zone and guiding other investment programs.

69) The directorate of Trade in collaboration with Trade Mark Africa (TMA) constructed and commissioned the Modern Busia Soko-Posta safe market with a capacity of 160 stalls that were allocated to traders who were affected by the beautification and reorganization exercise within the Busia municipality.

70) The directorate of Cooperatives has formulated County Cooperatives Policy and a County Cooperatives Bill in order to regulate cooperatives activities within the County. To implement

the County's Rural Economic Revitalization strategy, the directorate has also started the promotion and facilitation of registration of Ward-based multi-chain cooperative societies.

71) The Weights and Measures directorate has ensured fair trade practices within the county. Verification of weighing and measuring equipment in use for trade within the county was performed leading to uniformity and accuracy in trading practices.

72) In the year under review 1,160 traders weighing and measuring trading equipment were verified and 22 random inspections on business premises was done to ensure conformity.

73) In the medium term, the department intends to complete the county industrial park, establish 47 new markets and renovate 15 markets, set up 1 cotton ginning factory and disburse 300M to cooperatives to support Bottom-up Economic Transformation Agenda (BETA) policy of "One ward one cooperative".

74) In FY2022/2023, the reorganization and beautification of Busia Municipality and its surroundings had a negative impact on the business community, leading to a decline in revenue collection from the sector.

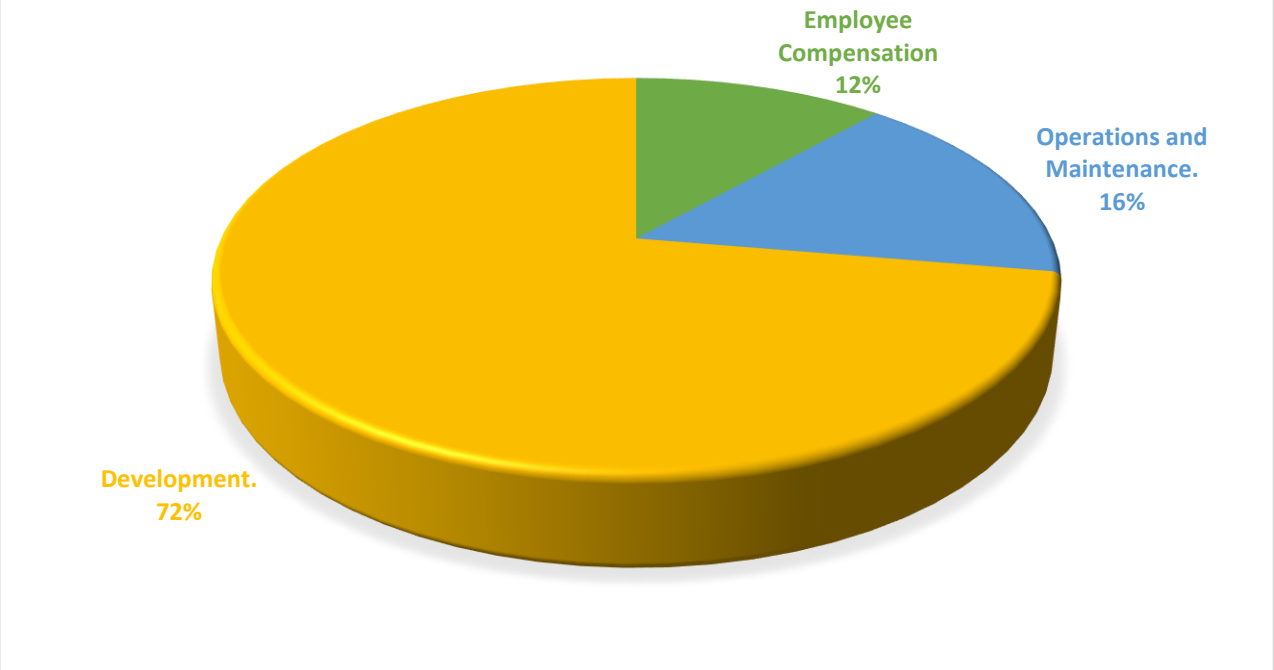
75) The reallocation of funds intended for market modernization and development to the County Aggregation and Industrial Park also had a detrimental effect on the implementation of other prioritized areas.

76) The department was allocated Ksh. 310.336M. This constituted 3.78% of the total budget. The budget for the department was divided as follows;

Allocation analysis by economic classification-Trade

No.	Description.	Amount. (Ksh)	Percentage.
1	Employee Compensation	35,735,751	11.52%
2	Operations and Maintenance.	50,244,797	16.19%
3	Development.	224,354,992	72.29%
	TOTAL.	**310,335,540**	**100.00%**

Allocation Analysis

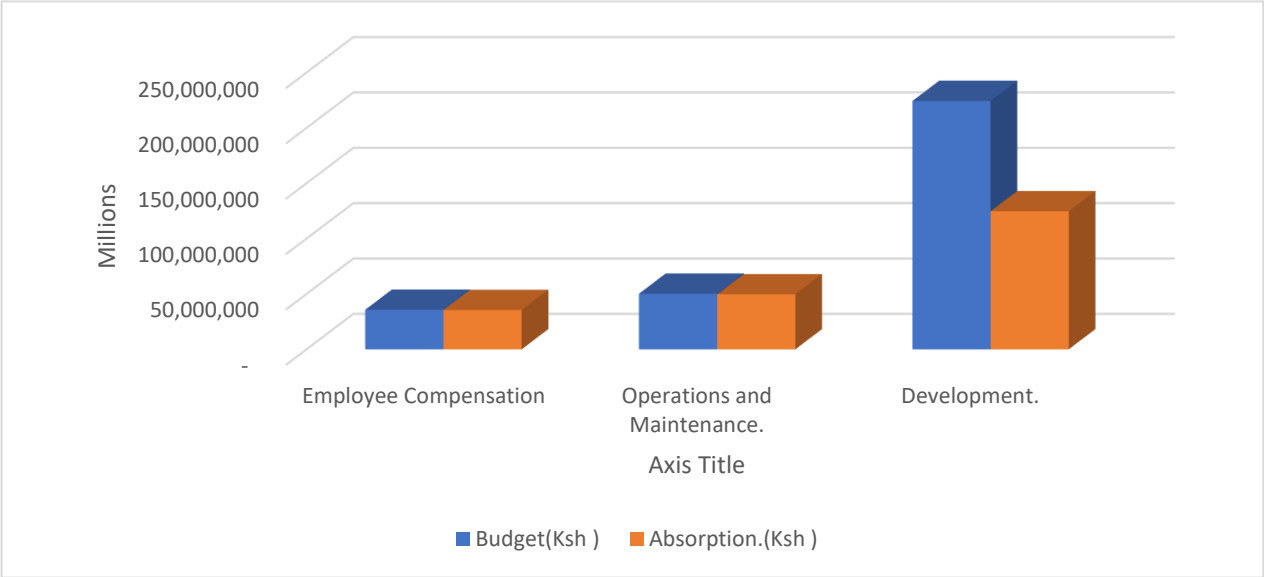


77) Development allocation was the highest with an allocation of 72%, Operations and maintenance got the second largest allocation of 16% while employee compensation got an allocation of 11.2%.

Absorption Analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	35,735,751	35,485,751	99.30%
2	Operations and Maintenance.	50,244,797	49,679,832	98.88%
3	Development.	224,354,992	124,707,279	55.58%
	TOTAL.	**310,335,540**	**209,872,862**	**67.63%**

Absorption Analysis



78) The total absorption was Ksh.132.36M representing 41% of the total departmental budget. Personnel cost vote was the highest utilized with 100%. The department utilized operations and maintenance vote at 74% while development was the least utilized vote with 28%.

3) Education and Vocational Training

79) The vision of the department is to provide quality education and training for all to transform Busia into an intelligent County in the frontline of global progress and innovation.

80) The department's mission is to provide accessible, holistic and quality Education Training to all, for the Socio Economic and Sustainable Development of Busia County and for Self-reliance and innovativeness in an increasingly globalized environment.

81) The Constitution of Kenya 2010 Article 43(f) guarantees each person the right to education. Article 53 provides for free and compulsory basic education to all children, basic nutrition, shelter, and health care. Equally, 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 No. 4 seeks to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

82) The department comprises of two directorates; Early childhood Education and Vocational Training.

83) The Directorate of Early Childhood Development Education is mandated to undertake the following tasks: supervision of ECDE curriculum implementation; assess growth; monitoring and development of ECDE children; collect data for purposes of equitable distribution of resources; capacity building of ECDE teachers and improving the physical environment of the ECDE children through construction of classes and provision of outdoor play equipment.

84) The Directorate of Vocational Training is mandated to undertake Management of Vocational Training Centers through: development of policy guidelines; rules and regulations; implementation of policies; implementation of programmes supported by various development partners; supervision and management of vocational training centers staff; implementation of Quality Assurance and Standards (QAS), recommendations and promotion of ICT integration and youth innovations; management of instructors and development of the human resource in the vocational centers.

85) In the FY 2022/2023 the Directorate of Early Childhood Education trained teachers on Pedagogy teaching approach hence giving teachers an insight into the best practices for a classroom setting and also allow them to understand how different students learn hence improving the quality of teaching and learning. In collaboration with Child Fund, ECDE Capitation policy was developed and approved by Busia County Assembly which will help in Equipping of our ECDE Centers with appropriate teaching and learning materials. The directorate also supported ECDE Learners in Co-curricular activity up to National Level.

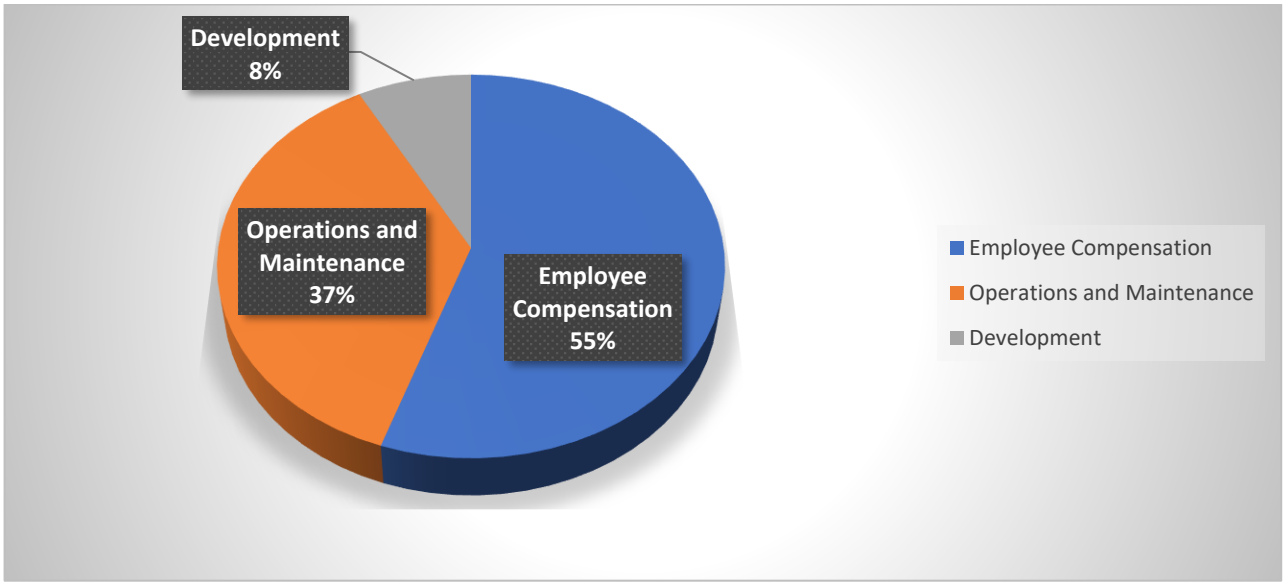
86) Vocational Training directorate initiated the process of construction of Administration block phase II at Katakwa and Namasali VTC and completion of twin workshop at Busagwa VTC, distributed 216 Sewing Machines to all 27 VTCs across the County. The directorate also trained VTC Managers and Trainers on Competency –Based Education and Training (CBET) Curriculum.

87) In FY 2022/2023, the department had a total allocation of Ksh. 676,684,425 constituting 7.07% of the total budget (Ksh.9,577,880,925). Out of this allocation, Ksh. 622,835,677 went to recurrent expenditure and ksh. 53,848,748 to development expenditure.

Table 5: Allocation analysis by economic classification-Education and Vocational Training

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	373,925,209	55.26%
2	Operations and Maintenance.	248,910,468	36.78%
3	Development.	53,848,748	7.96%
	TOTAL.	**676,684,425**	**100%**

Chart 3: Allocation analysis

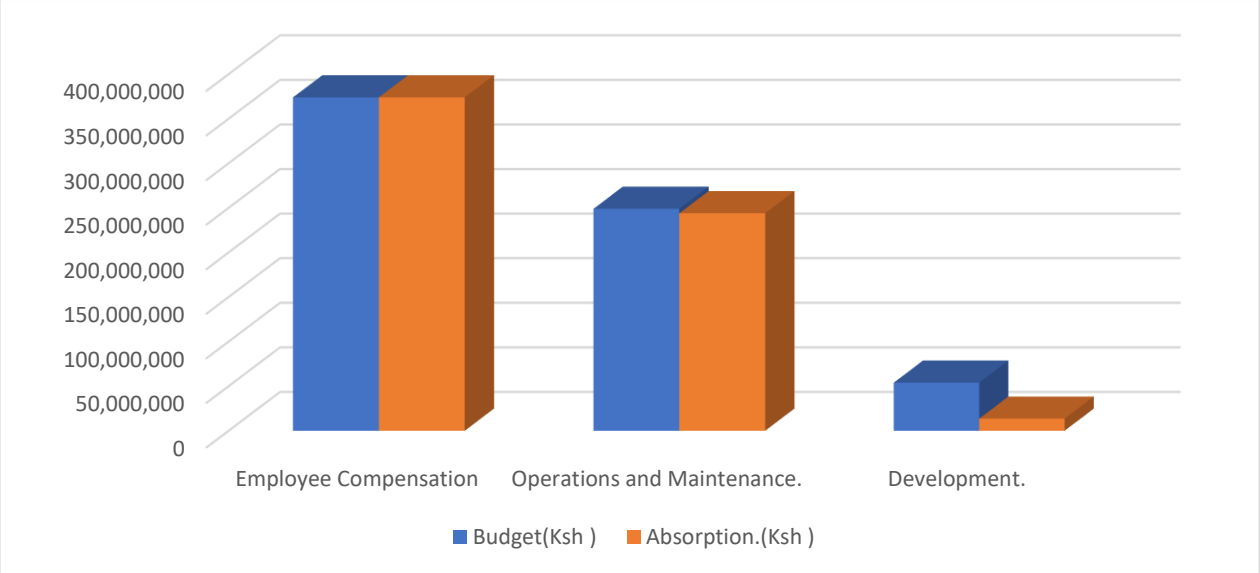


88) Personnel Emolument budget allocation was the highest with an allocation of 55%. Operations and maintenance was second with 37% while Development was the least with an allocation of 8%.

Table 6: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	373,925,209	373,925,209	100%
2	Operations and Maintenance.	248,910,468	243,911,688	98.0%
3	Development.	53,848,748	13,491,401	25.1%
	TOTAL	**676,684,425**	**631328298**	**93.3%**

Graph 7: Absorption analysis-Education and Vocational Training



89) The total absorption was Ksh 631.33M representing 93% of the total departmental budget. Development vote absorption was at 25%. The department utilization of the Personnel Emoluments was at 100% while Operations and Maintenance absorption was at 98%.

4) Finance, ICT and Economic Planning

90) The department comprises of Finance, ICT and Economic Planning. Finance Section consists of four directorates namely; Budget, Accounting Services, Revenue and Supply Chain management.

91) Budget directorate is responsible for preparation of County budget estimates, Supplementary budget estimates, County Budget Review & Outlook Paper, County Fiscal Strategy Paper,

Popular Citizen Budget, Debt Management Strategy Paper and other vital planning documents.

92) Accounting services is mandated to undertake payments and production of financial reports, Directorate of Revenue is responsible for collection and supervision of own- source local revenue, finally the directorate of Supply chain management deals with procurement of goods and services for various county entities.

93) Economic Planning section consists of Planning, Internal Audit and Monitoring & Evaluation Directorate. Planning directorate is responsible for preparation of planning documents and statistical data, Audit directorate is responsible for carrying out internal audits at the County entities for reporting purposes on County projects to ensure value for money is realized. Monitoring & Evaluation unit is responsible for continuous monitoring of County projects during the implementation phase as well end term evaluation to assess the impact of projects.

94) In the year under review FY 2022/23, the department focused on its mandates by having quality financial, economic and advisory services, for instance, budgeting and planning was timely done as per the set timelines hence enabling implementation of county priority programs and projects across various departments. Technical support, advice and guidance on fiscal and budgetary matters was availed to all stakeholders in the County.

95) Accounting services managed to produce financial reports, through proper control and accounting for receipt and expenditure of public funds

96) The directorate further developed financial policies and procedures, administration of applicable legislation, timely preparation of financial statements and financial reports.

97) Through the directorate of revenue, automation systems were adopted to effectively and efficiently collect revenue from various revenue streams/sources.

98) The directorate of Supply chain management adopted e-procurement as a method of procuring goods and services.

99) Audit directorate prepared quarterly reports which were later submitted to the Auditor General.

100) In conclusion the department is committed to ensure that prudent financial management and economic planning is adhered to and in conformity with Public Finance Management Act, 2012, County Government Regulation, 2015 and Public Procurement & Asset Disposal Act, 2015

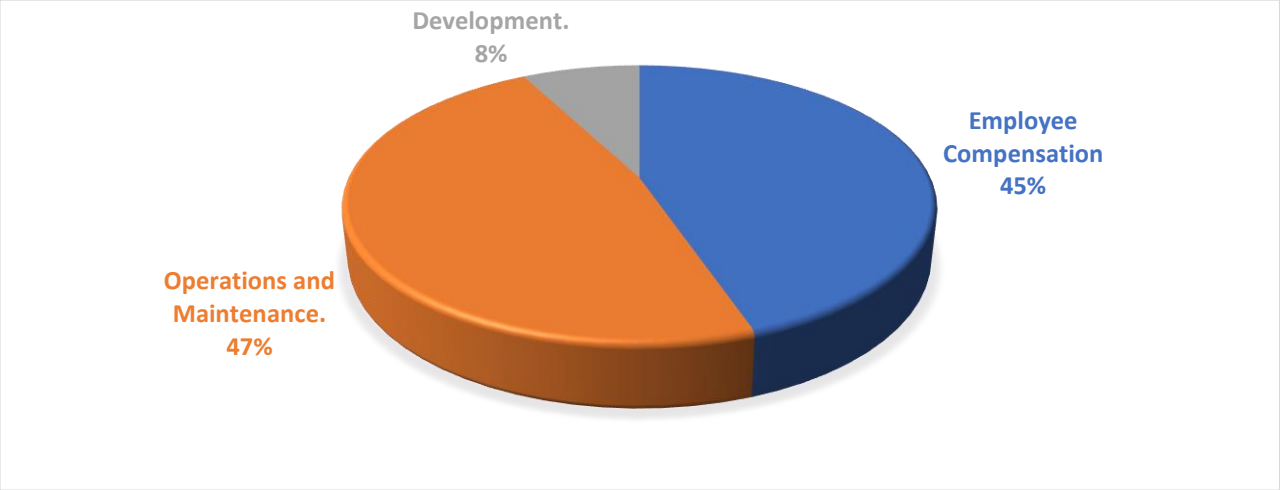
101) The department was allocated Ksh. 969,716,542 which constituted 10.12% of the overall budget. This constitutes of Ksh. 74,758,820 (7.71%) as development allocation and Ksh.

894,957,772 (92.29%) as recurrent allocation. The budget for the department was divided as follows:

Table: Allocation Analysis by Economic Classification

No.	Description.	Amount. (Ksh)	Percentage.
1	Employee Compensation	433,673,627	44.72%
2	Operations and Maintenance.	461,284,095	47.57%
3	Development.	74,758,820	7.71%
	TOTAL.	**969,716,542**	**100.0%**

Chart: Allocation Analysis

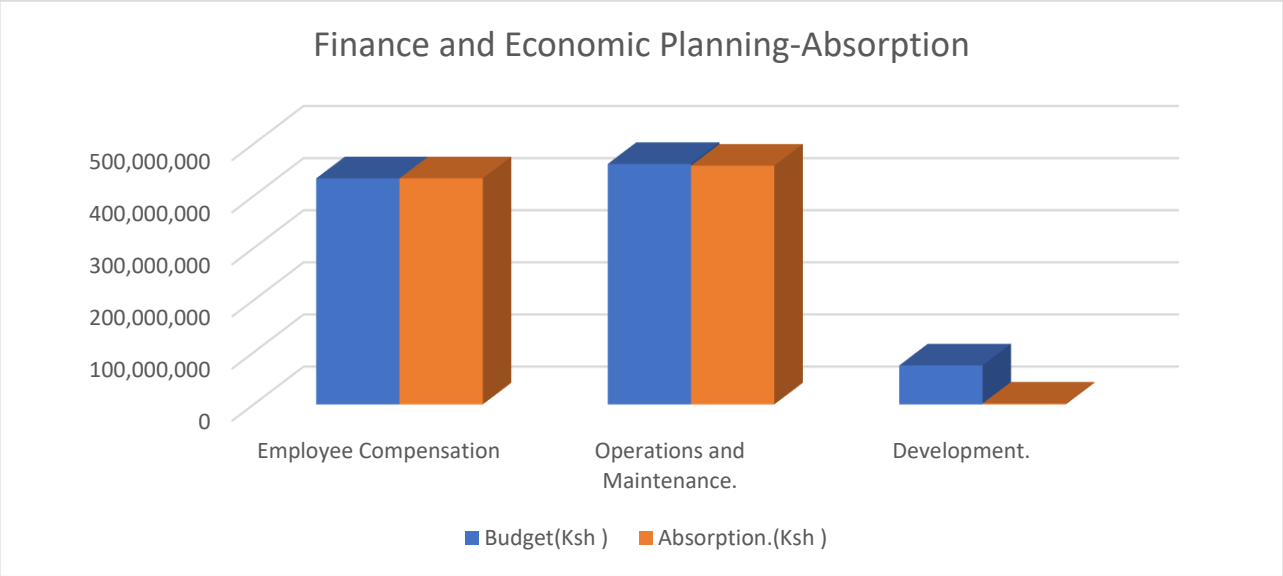


102) Operations and maintenance budget allocation was the highest with an allocation of 47.57%. Personnel Emolument was second with 44.72% while Development was the least with an allocation of 7.71%

Table: Absorption Analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	433,673,627	433,665,305	99.99%
2	Operations and Maintenance.	461,284,095	458,033,940	99.30%
3	Development.	74,758,820	1,665,952	2.23%
	TOTAL.	**969,716,542**	**893,365,197**	**92.13%**

Graph: Absorption Analysis



103) The total absorption was Ksh 893.37M representing 92% of the total departmental budget. Development vote absorption was at 2%. The department utilization of the Personnel Emoluments was at 100% while Operations and Maintenance absorption was at 99%.

5) Sports, Culture and Social Services

104) The vision of the department is to be a socially, self-driven and empowered community

105) The department's mission is to mobilize the Busia community for sustainable social protection, talent nurturing, heritage presentation and creating equal opportunity for children, youth, women, PLWD'S, older persons and other vulnerable groups for holistic growth and development.

106) The department has six directorates namely: Sports, Culture, Social Services, Youths, Child Protection and Alcoholic Drinks and Drug use Control.

107) It is mandated to mobilize Busia Community for sustainable social protection, talent nurturing and creating equal opportunity for youth, women, PLWDs, older persons and other vulnerable groups for holistic growth and development.

108) The Department of Sports and Culture has accomplished several significant milestones in enhancing community development and nurturing talent. It refurbished a community social hall, providing a modern and functional space for cultural and social gatherings.

109) The department realized its objective of sports promotion and development by supporting the County staff to participate in the Kenya Inter County Sports and Cultural Association (KICOSCA). This nurtures talent and promotes integration among counties.

110) Additionally, the department operationalized the Nambale Youth Empowerment Centre, which has become a center of opportunity and growth for young individuals, offering mentorship, career guidance, and skill-building programs for youths.

111) Through specialized training initiatives, the department empowered youths with entrepreneurship and business development skills, fostering economic independence of the youth. Furthermore, the department organized vibrant community cultural festivals, celebrating the diverse traditions and heritage of the different communities in the county, promoting unity and inclusivity.

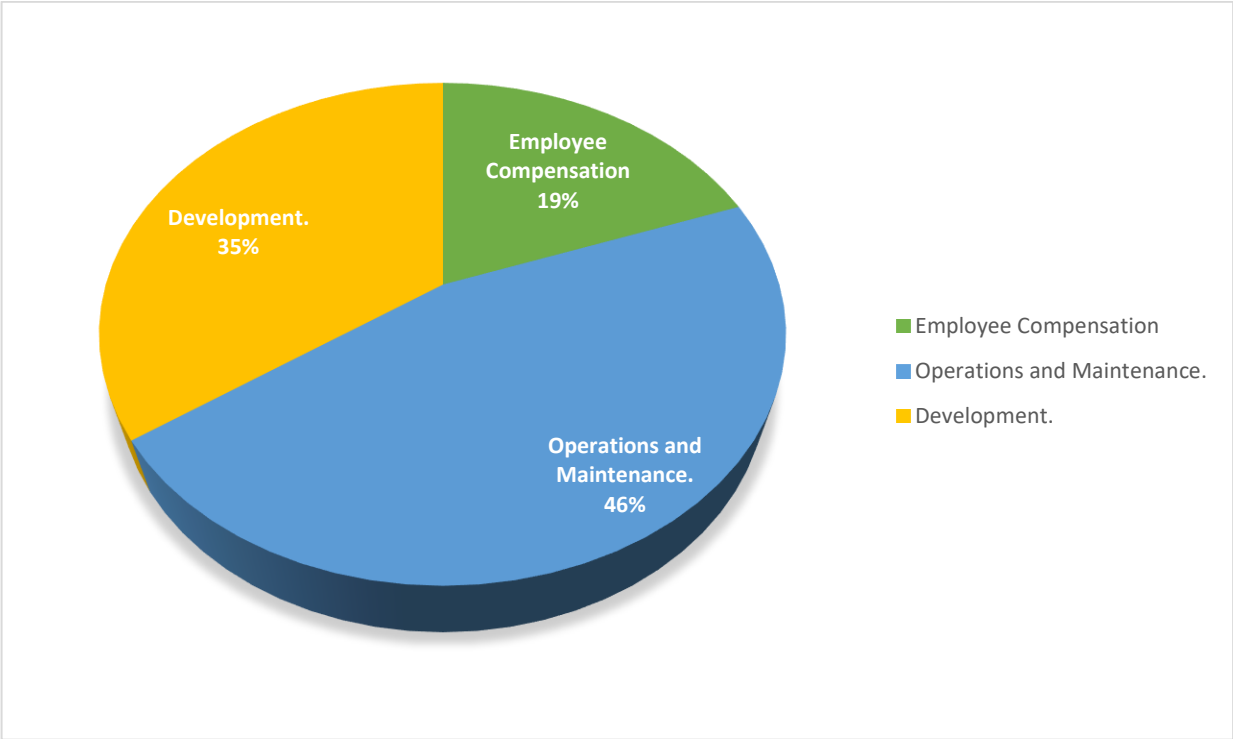
112) In the medium term, the department seeks to complete on-going infrastructural works being undertaken.These include; Completion, equipping and operationalization of community cultural centres (Kakapel & Bumbe), Construction of Busia County Modern Library, refurbishment of Busia County Stadium, upgrading of Sub County stadia, construction of public daycare, and establishment of recreation and leisure park in Busia town.

113) The department encountered various challenges during its operations, including insufficient funding, irregular releases of funds by the national government creating additional financial strain, lengthy procurement processes, as well as issues with the functionality of the Integrated Financial Management Information System (IFMIS) further worsened the challenges. Furthermore, delays by contractors and service providers in executing their contracts had a damaging impact on development efforts.

114) The department was allocated Ksh.178 million, this constituted 1.86% of the total budget. The budget for the department was divided as follows;

Allocation analysis by economic classification

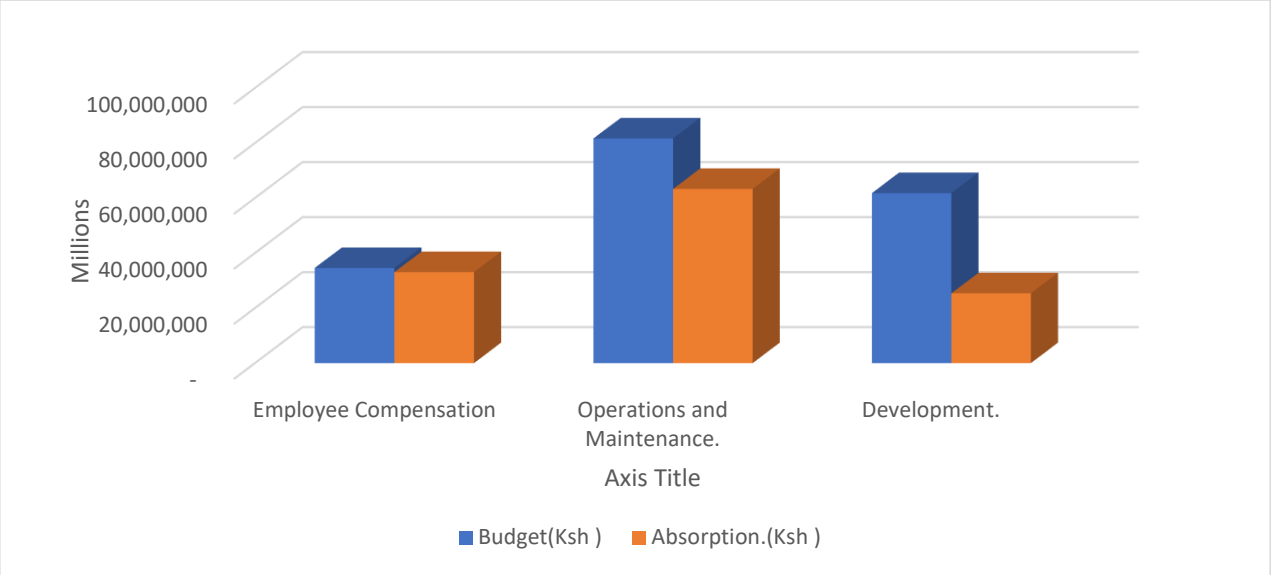
No.	Description.	Amount. (Ksh)	Percentage.
1	Employee Compensation	34,572,775	19.42%
2	Operations and Maintenance.	81,668,115	45.87%
3	Development.	61,790,896	34.71%
	TOTAL.	**178,031,786**	**100.00%**



115) Operations and Maintenance allocation was the highest at 46%, Development was allocated 35% and Personnel cost (Compensation to employees) at 19% of the total departmental budget.

Table: Absorption analysis

No.	Description.	Budget (Ksh)	Absorption. (Ksh)	Percentage.
1	Employee Compensation	34,572,775	33,072,775	95.66%
2	Operations and Maintenance.	81,668,115	63,311,860	77.52%
3	Development.	61,790,896	25,368,815	41.06%
	TOTAL.	**178,031,786**	**121,753,450**	**68.39%**



6) Transport, Public works and Energy

117) The vision of the department is to develop quality, reliable, sustainable and resilient infrastructure and provide access to safe affordable public transport systems.

118) The department's mission is to expand public transport and build infrastructure with special attention to the needs of women, children and people living with disability (PLWDs) through production of appropriate designs and increase investment.

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

120) The directorate of roads, public works and transport are mandated to provide an enabling and supportive environment for investment in the County and sustain standard road network and public infrastructure for sustainable development. The energy directorate is mandated to ensure available and sufficient lighting in the Urban centres and Rural areas which is critical in enhancing security and business activities across the county. It provides both technical and supervisory assistance to other departments in implementation of projects.

121) In the year under review, the directorate of roads implemented its major activities which include; construction of box culverts and bridges, routine maintenance of county roads at departmental and ward level.

122) The construction and completion of box culverts and bridges have connected rural inaccessible areas of the county hence increasing access of agricultural produce to markets as well as other socio-economic centers.

123) The department undertook the following programmes; approximately 70 km of new roads opened under the machine hire arrangement, 42.25 km of earth roads were maintained through the in-house Programme i.e kadurkoit road, kocholia hospital road, railways-kamolo road among others. It also oversaw the construction of Busia bus park which is at the tail end of construction.

124) The directorate of public works commenced the process of reconstructing Sidokho timber foot bridge in Bunyala South ward and Bubamba timber foot bridge in Bunyala central ward. The department also commenced construction of seven road access culverts in Matayos and Teso South sub counties.

125) The transport and fleet management section procured assorted spares for graders, bulldozers, rollers, tippers and excavators and centralized bulk fueling. Further plans are underway to install fleet management software for the management of transport and use of fuel cards for efficient management of fuel for all county vehicles.

126) The directorate of energy commenced maintenance of solar mass lights in Amukura East, Angurai North, Bukhayo Central, Bukhayo North, Marachi North, Marachi West, and Kingandole wards which are still ongoing.

127) The directorate also completed designs for all REREC projects for the F/Y 2020-2021 after funds were transferred to the REREC account. The projects will be implemented to completion in the current financial year.

128) Some of the key challenges experienced are; Inadequate staff personnel i.e., surveyors and sand harvesting along road sides which undermine roads and drainage structures such as culverts leading to severe destruction of roads by surface run off and expensive remedial works.

129) Lack of axle load control (weigh bridge) on county roads leading to overloading especially by cane and building material transporters which causes pre mature failure of gravel roads.

130) Low machine hire services due to frequent breakdowns that have made the department fail in generating revenue for development and lack of laboratory for testing materials.

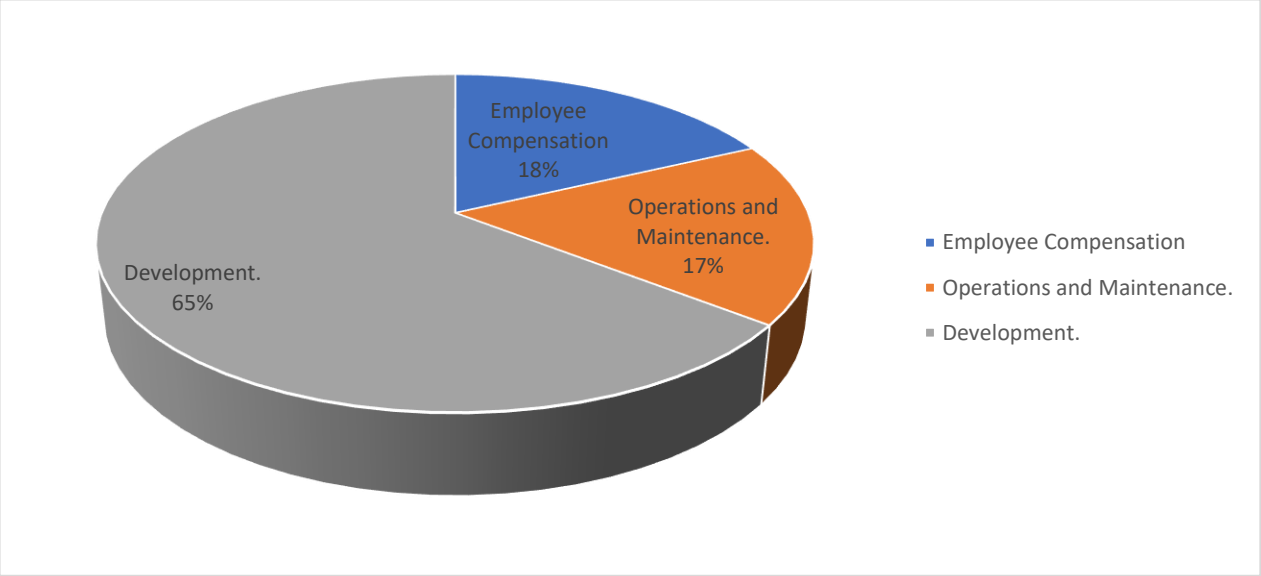
131) The roads directorate seeks to establish a revolving fund for mechanical and transport functions to assist in timely maintenance of the equipment and acquisition of new fleet and equipment tyres that are not yet acquired e.g., backhoe loader.

132) The department was allocated Ksh. 566,737,832 which constituted 6% of the overall budget. This constituted Ksh. 365,644,618 (65%) as development allocation and Ksh. 201,093,214 (35%) as recurrent allocation. The budget for the department was divided as follows:

Table 7: Allocation analysis by economic classification-Infrastructure and Energy

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	102,166,665	18%
2	Operations and Maintenance.	98,926,549	17%
3	Development.	365,644,618	65%
	TOTAL.	**566,737,832**	**100.00%**

Chart 4: Allocation analysis- Infrastructure and Energy

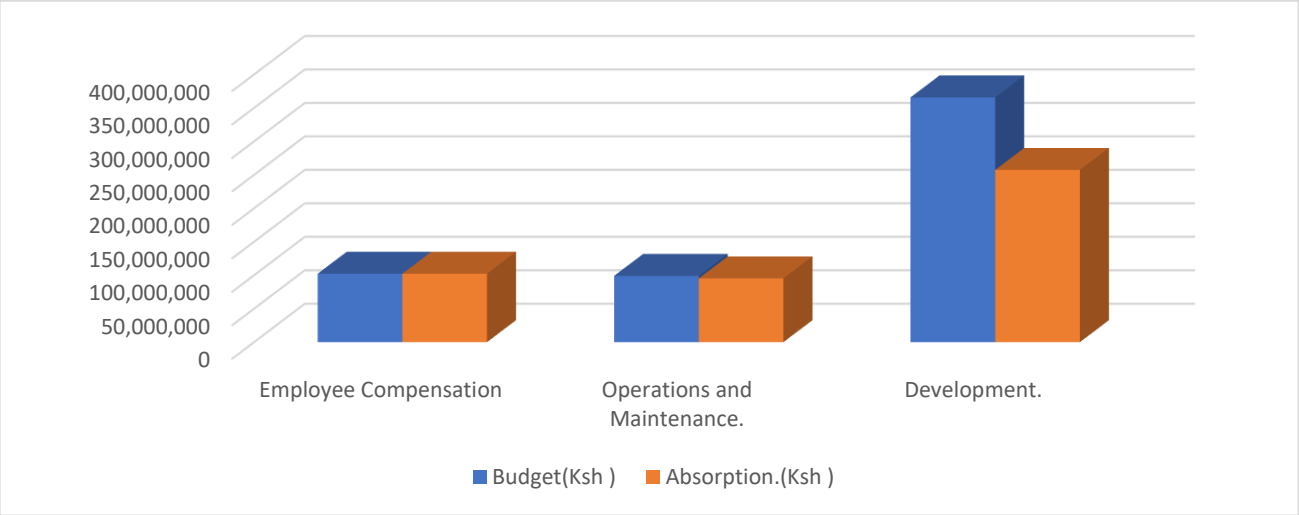


133) The development cost allocation was the highest at 65%. Personnel cost was the second highest with a budget allocation of 18%. The Operations and Maintenance was the least beneficiary with 17%.

Table 8: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	102,166,665	102,133,725	100%
2	Operations and Maintenance.	98,926,549	95,211,334	96%
3	Development.	365,644,618	257,249,649	70%
	TOTAL.	**566,737,832**	**454,594,708**	**80%**

Graph 8: Absorption analysis



134) The total absorption was **Ksh. 454,594,708** representing **80%** of the total departmental budget. Development vote absorption was at **70%**. The department utilization of the Personnel Emoluments was at **100%** while Operations and Maintenance absorption was at **96%**.

7) Public Service Administration and Gender

135) The vision of the department is to be a benchmark for high performing, dynamic and ethical public service.

136) The mission of the department is to facilitate a safe environment for an effective and productive work force that guarantees personal growth and sustainable development.

137) The Department of Public Service, Administration and Gender is composed of five sections namely; Human Resource Management and development, Payroll Management, Gender affairs, Records and Administration.

138) In discharging its function, the department liaises with the County Public Service Board in coordinating Human Resource and Records Management functions.

139) The Mandate of the Department is to undertake the following; Human Resource management and Development, Records Management, Staff Performance Management, Training and Capacity Building, Organizational Design and Development, Industrial relations, Gender/Disability Mainstreaming, Staff Benefits and Welfare Schemes, Guidance and Counselling on HIV and AIDs, Employee relationship, Promotion of Staff Cohesion and Staff Payroll Management.

140) The Strategic goal, plan, target and objective of the department is to provide a conducive environment for an effective and efficient workforce while embracing modern technology for delivery of quality service.

141) The department's key achievements included ensuring adherence to HR policies and laws, revamped performance contracting, trained staff on alcohol, drug and substance abuse, conducted pre- retirement training, management of staff pension, promoted staff cohesion by ensuring fair labour practices, ensured staff do not earn below a third of their basic salaries, facilitated staff with disabilities to obtain tax exemption certificates, sensitized staff on proper records management and reduced salary payments outside the IPPD.

142) The following were challenges faced; Inadequate working space, tools and equipment for staff, insufficient Budgetary allocation hence limiting the scope for service delivery as most programs are underfunded, insufficient workforce hence limiting the performance output per staff as most staff are overworked. Mobility challenges that include lack of motor vehicles and motor cycles for supervision.

143) As a way forward, the department recommends the following;

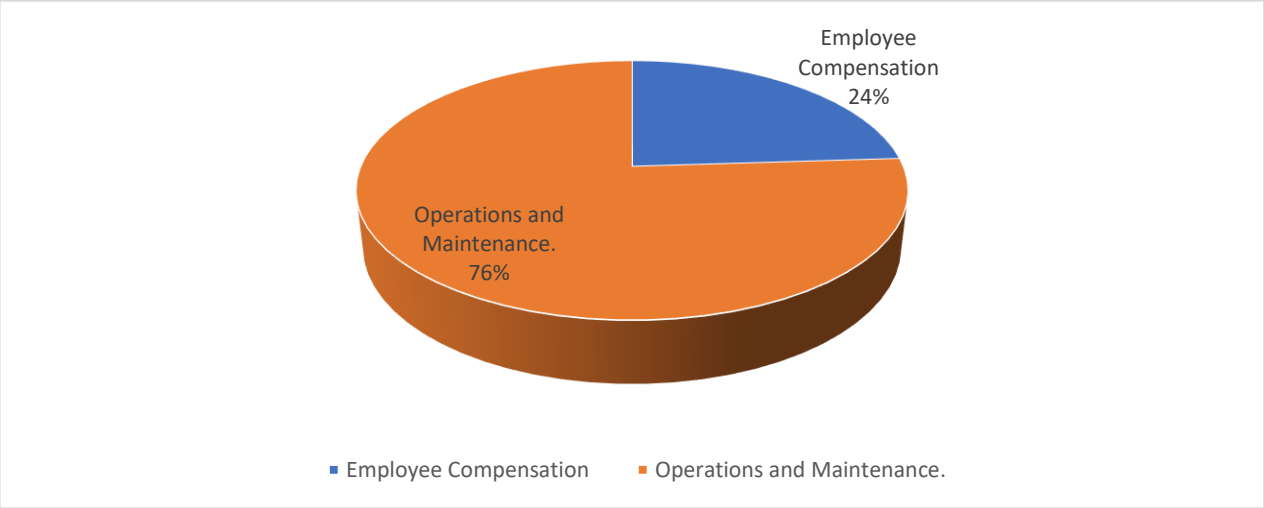
- Prudent use of allocated resources.
- Early Planning should be adhered to so as to ensure the intended purposes for funding is achieved.
- Construction of Sub County Headquarters that can accommodate County staff at the Sub County Level.
- Construction of model ward offices to avoid renting shops.
- Purchase one vehicle per sub county and motor bikes for wards and village administrators.
- Provide adequate budget for office operations and capacity building.
- Recruitment of casual support staff to assist village administrators.
- Timely disbursement of funds to departments to ensure programs run as per the timelines.

144) The department was allocated **Ksh. 501,566,256** which constituted to **5.2%** of the overall budget. The budget for the department was divided as follows:

Table 9: Allocation analysis by economic classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	120,311,116	23.9%
2	Operations and Maintenance.	381,255,140	76.1%
	TOTAL.	**501,566,256**	**100.0%**

Chart 5: Allocation analysis

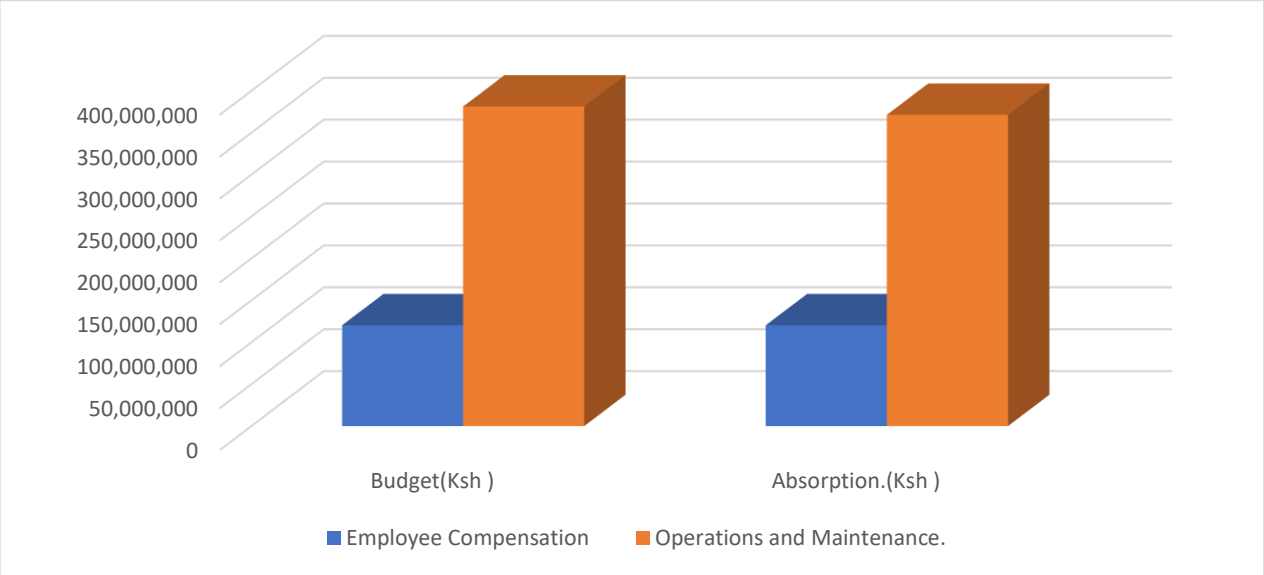


145) Operations and Maintenance had an allocation of 31.3% while Personnel cost was allocated 68.7%.

Table 10: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	120,311,116	120,311,116	100.0%
2	Operations and Maintenance.	381,255,140	371,350,378	97.4%
	TOTAL.	**501,566,256**	**491,661,494**	**100%**

Graph 9: Absorption analysis



146) The total absorption was **Ksh. 491,661,494** representing **98%** of the total departmental budget. The department utilization of the Personnel Emoluments was at **100%** while Operations and Maintenance was **97%.**

8) Lands, Housing and Urban Development

147) The department's vision is to ensure excellence in land management and provision of affordable and quality housing for sustainable development.

148) The Mission of the Department is to facilitate improvement of livelihoods of Busia County residents through efficient administration, equitable access, secure tenure, sustainable management of land resources and access to adequate housing.

149) The Department is composed of the following directorates: Lands, Survey, Physical planning, Housing, Urban development and two municipalities that is Busia and Malaba.

150) The mandate of the department includes; To facilitate improvement of livelihoods in the County through efficient administration, equitable access and sustainable management of land and land-based resources. It also fosters and manages the process of sustainable urbanization and Urban growth in the County.

151) In addition, the directorate through Busia and Malaba Municipalities' Board oversees the management and coordination of the activities of Urban areas and towns in collaboration with the County Executive Committee Members and the County Assembly.

152) The Directorate of lands is responsible for management of public land. In consultation with the national government, it is also mandated to manage land records, land conflict resolutions and issuance of tittle deeds.

153) Survey Directorate is mandated to surveying of all public lands, demarcation, and maintenance of land boundaries.

154) The Directorate of Physical planning prepares land use plans ie plans for market and development controls.

155) Housing Directorate deals with management and maintenance services of government houses, county offices in terms of renovation and refurbishment, giving technical advisory services in county government offices and training members in Appropriate Building Materials and Technology (ABMT).

156) Directorate of Urban Development ensures proper urban planning and advisory to the department on management of urban centers.

157) Busia and Malaba municipalities oversee functions within their jurisdiction and undertake other functions as may be delegated by the County Government as enshrined in the Urban Areas and Cities Act,2011.

158) In the FY 2022/2023, the department realized various achievements through its directorates. Through the Municipality of Busia, under the Kenya Urban Support Programme, 0.8 km of Alupe Ring Road has been tarmacked. Furthermore, the department subcontracted 21 firms to manage solid waste across the county.

159) Under the directorate of Housing development and management, renovation works for governor's lounge was initiated and it is still underway. The works is expected to be completed in the current financial year 2023/2024.

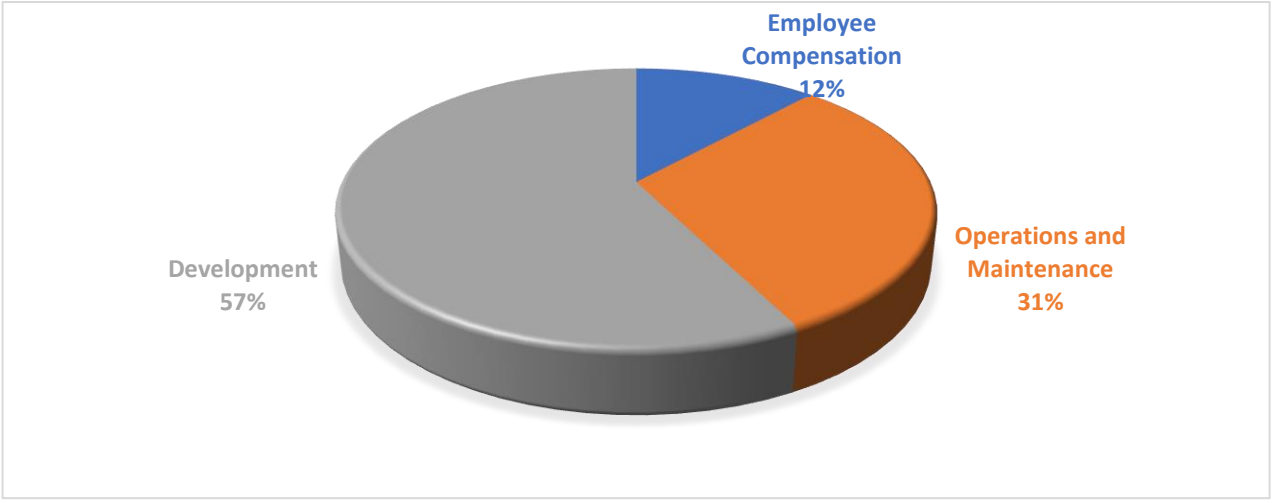
160) The department under the directorate of Urban development in the year under review initiated the construction of parking slots. This project is expected to boost the county's revenue through managed parking slots hence generating parking fees, fines and penalties among other revenue streams. Availability of parking slots will also reduce on-street parking leading to smoother traffic flow and reduced congestion that has been experienced within the CBD.

161) The department was allocated **Ksh. 459,123,246** which constituted **5%** of the overall budget. This comprises of **Ksh. 264,057,868 (57.5%)** as development allocation and **Ksh. 195,065,378 (42.5%)** as recurrent allocation. The budget for the department was divided as follows:

Table 11: Allocation analysis by economic classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	54178401	12%
2	Operations and Maintenance.	140886977	31%
3	Development.	264057868	57%
	TOTAL.	**459123246**	**100.0%**

Chart 6: Allocation analysis

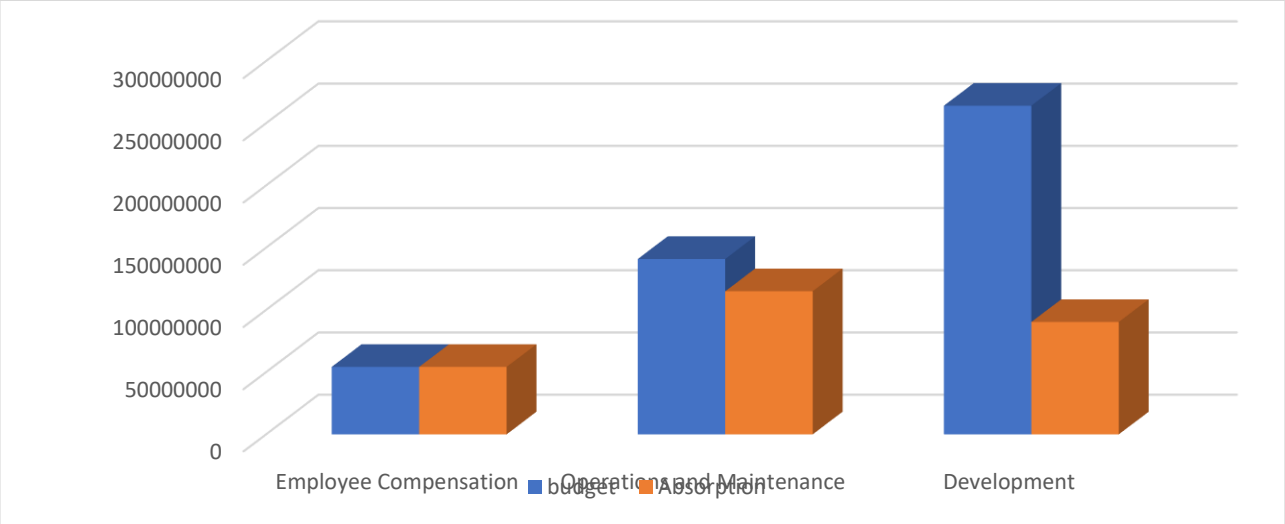


162) The development cost allocation was the highest at **57%.** Operations and Maintenance was the second highest with a budget allocation of **31%.** Personnel cost was the least beneficiary with **12%.**

Table 12: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	54,178,401	54,178,401	100%
2	Operations and Maintenance.	140,886,977	114,978,387	82%
3	Development.	264,057,868	90,286,868	34%
	TOTAL.	**459,123,246**	**259,443,656**	**57%**

Graph 10: Absorption analysis



163) The total absorption was **Ksh 259.444** million representing **57%** of the total departmental budget. Development vote absorption was at **34%**. The department utilization of the Personnel Emoluments was at **100%** while Operations and Maintenance absorption was at **82%**.

9) Water, Irrigation, Environment and Natural Resources.

164) The department's vision is to promote a clean, secure and sustainable environment.

165) The mission of the department is to promote, conserve and protect the environment and improve access to clean water for sustainable development.

166) The Department is mandated to ensure that the people of Busia County are provided with desired service levels in water provision under secure and sustainable environment. It will also 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.

167) The vegetation cover will increase to levels that will influence Environmental changes and have direct impact on Climate Change and quality of water.

168) Liquid waste management forms the biggest challenge for the county. Investment requirements are enormous and the department shall partner with relevant partners in ensuring adequate measures are put in place to effectively control town and urban waste collection that also includes our Municipal Sewerage and Sanitation.

169) Global Climatic Changes are affecting the entire human settlement and in this regard the department in conjunction with other development partners and stakeholders have introduced programs under Climate Change Fund and Financially locally led Climate Change initiative to address effects resulting from global warming.

170) To ensure reliable and efficient irrigation systems the irrigation sub-sector will ensure enhanced water storage, land reclamations and appropriate abstraction from rivers and lake for well managed schemes to produce a variety of crops for food security and to build resilience towards climate change.

171) The department has done coverage statistics, water accessibility stands at 60% in the whole county. Improved systems include drilled boreholes, protected shallow wells, protected river intakes, lake sources and roof catchment systems.

172) Under Environment and Natural Resources coverage, tree and forest cover were at 8% and 1.04% respectively.

173) In the year under review, the department undertook; maintainance of 14 water systems/schemes and 2 storage tanks of $24M^3$, developed 10 km pipe extension in urban supplies, solarization of Mujini borehole to reduce cost of operation and promote consumption of clean energy and plantation of 50,000 tree seedlings in catchment areas and in schools in Bunyala, Matayos and Butula Sub Counties.

174) While aiming to achieve the departmental mandate, the following were the challenges experienced:

- High dependence on hydro-electric power in major water schemes
- Awareness levels are still very low in matters water, irrigation, environment, climate change and forestry
- Encroachment of riparian ecosystem
- Lack of legal framework to operationalize the County Irrigation Development Unit.

- Low uptake of irrigation technologies in Busia County because irrigation is given low priority in planning in the county.
- Ineffective Irrigation Water User Associations (IWUAs).
- Low level of capacity building and main streaming climate change in projects and Programmes.
- Inadequate enforcement and compliance to environmental laws.
- Siltation of irrigation water reservoirs due to lack of environmental conservation measures in place.

175) The departmental way forward to the challenges faced include: -

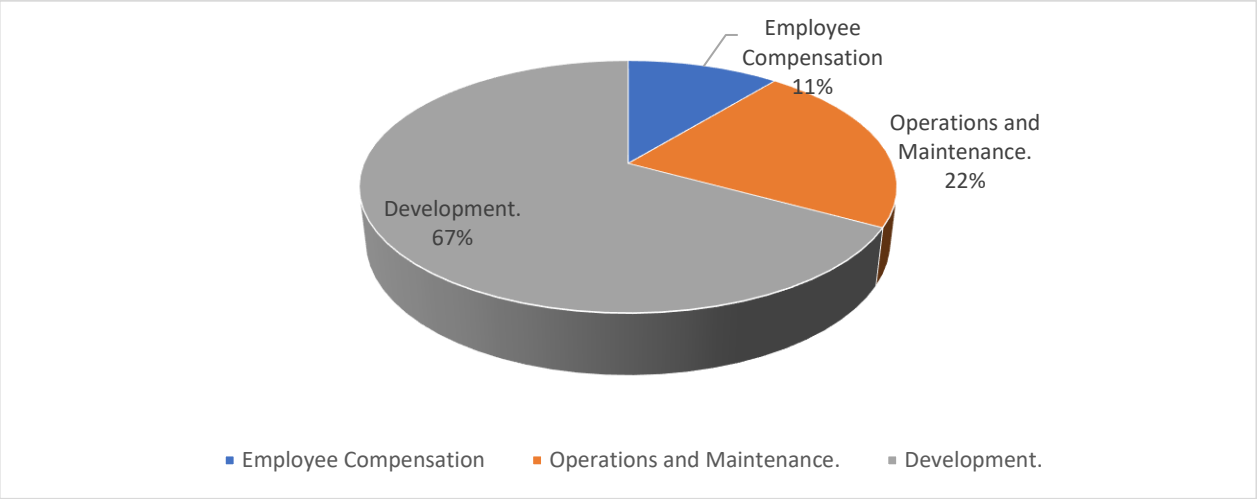
- Digitizing smart water metres to enhance revenue collection.
- Systematic planning on resource availability and target achievement.
- Developing an enabling Policy and regulatory framework for Irrigation implementation in the county
- Synchronizing of tree planting with rainfall pattern
- Enforcing Environmental Legislations
- Enhanced monitoring and evaluation reports will be used as a basis for further engagements.

176) The department was allocated **Ksh. 597,080,837** which constituted to **6%** of the overall budget. This constituted **Ksh. 400,075,850 (67.01%)** as development allocation and **Ksh. 197,004,987 (32.99%)** as recurrent allocation. The budget for the department was divided as follows:

Table 13: Allocation analysis by economic classification- Water, Irrigation, Environment and Natural Resources

No.	Description.	Amount. (Ksh)	Percentage.
1	Employee Compensation	65,238,335	10.93%
2	Operations and Maintenance.	131,766,652	22.07%
3	Development.	400,075,850	67.01%
	TOTAL.	**597,080,837**	**100.00%**

Chart 7: Allocation analysis

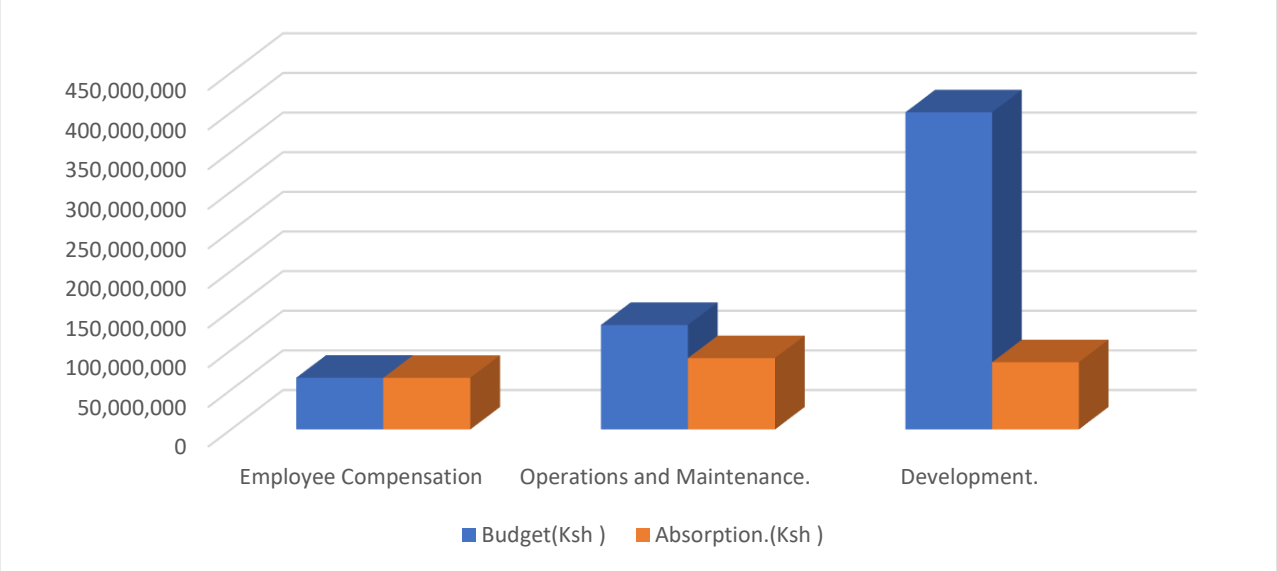


177) The development cost allocation was the highest at 79%. Operations and Maintenance was the second highest with a budget allocation of 11%. Personnel cost was the least beneficiary with 10%.

Table 14: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	65,238,335	65,155,480	99.87%
2	Operations and Maintenance.	131,766,652	89,967,329	68.28%
3	Development.	400,075,850	84,802,258	21.20%
	TOTAL.	597,080,837	239,925,067	40.18%

Graph 11: Absorption analysis



178) The total absorption was **Ksh. 239,925,067** representing **40.18%** of the total departmental budget. Development vote absorption was at **21.20%.** The department utilization of the Personnel Emoluments was at **100%** while Operations and Maintenance absorption was at **68.2.**

10) Health and Sanitation

179) The Vision of the department is to be a healthy, productive, and internationally competitive County.

180) The mission is to 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.

181) The department is dedicated to promoting and safeguarding the health of its residents through comprehensive healthcare services, disease prevention and control, health promotion, environmental health, and maternal and child health initiatives.

182) The Health Sector values and promotes certain fundamental principles among its staff and other stakeholders they interact with while providing services. These principles include trustworthiness, emphasizing honesty, fairness, dependability, and being worthy of trust. Customer-centeredness is another important value, with a focus on addressing the needs and concerns of the customers. The sector also emphasizes teamwork, encouraging collaboration towards a shared objective. Effective communication is highly valued, ensuring that information is conveyed clearly to customers to achieve desired actions.

183) The department consists of three directorates with the mandate to do the following ;

184) Curative and rehabilitative health services that provides primary health care and clinical services, management of health facilities and pharmacies, diagnostic services including radiology and laboratory services, provision of nursing services, provision of rehabilitative services among others.

185) Preventive and Promotive Health Services which undertakes health promotion and education activities, provide technical advice on Promotive and preventive health, campaign and creation of awareness on diseases of public interest, provision of community health services through community strategy, disease surveillance and investigation, inspection of premises, institutions.

186) Universal Health Coverage ensures access to health services by all residents, improving quality and ensuring affordability of health services.

187) Busia County has 199 Registered Health Facilities of which 192 are operational. Of the operational facilities , 94 are GoK, 15 FBO/NGO and 85 Private facilities. The County Government owned facilities as per KEPH levels are; One level 5 (BCRH), twelve level 4, eighteen level 3 and sixty-five level 2. There are also 233 Registered and Operational Community Units.

188) In the financial year under review, the sector realized a number of milestones among them completion of a modern complex block at Amukura Level IV hospital, Rwatama Dispensary, Male ward at Teso North and Nambale Sub County Hospitals, Maternity wing at Port Victoria SCH, Modern theater at Matayos and Dental unit at Alupe Sub -County hospital. Further, In collaboration with the National government, the department constructed and operationalized 100 bed capacity a Surgical ward at BCRH.

189) In the FY 2022/23 Malaria prevention for pregnant women who were issued with LLITNs improved from 87.8% to 89.4%.

190) Under UHC the department registered 10,030 indigents in December and January 2023 in addition to previously registered 20,000. Furthermore, in collaboration with Members of the County Assembly, ksh 13.5 million was allocated for NHIF awareness and registration in Bunyala Sub County. Optimization of NHIF indigents is on-going and the department is targeting 13,050 indigents. This initiative will increase the number of community members with Health insurance cover and therefore protect the vulnerable from financial consequences of paying for health services out of pocket.

191) A total of 1,850 CHPs were trained on Community Case Management of Malaria and 876 CHPs trained on Integrated Community Case Management which is a strong community -based component to deliver interventions for diagnostics and treatment to multiple illnesses specifically pneumonia, diarrhea, malaria newborn care and acute severe malnutrition for sick children of families with difficult access to case management at health facilities. This intervention will also improve service at community units.

192) To promote menstrual hygiene advocacy and mentorship sessions were conducted across the county reaching a population of 11,678 as well as distribution of both reusable and disposable sanitary pads that benefitted 2,850 adolescent girls across the county. Busia County was also privileged to host the national event on World Menstrual hygiene day.

193) The rates of stunting have reduced from 22.3% to 15%, underweight from 9.7% to 6.3% (KDHS 2022). Though there was slight increase of wasting from 2.2% to 2.8% occasioned by inability of the households to have coping measures during and/post covid shock. The infant feeding practices have been on the increase with the rates of exclusive breastfeeding among children attending CWC as per KHIS 2023 increasing from 82.4% to 87.7%. The number of ECD teachers trained on nutrition interventions at ECDE level (Growth monitoring, vitamin A supplementation and school feeding program) has increased from 70% coverage to 83%. This training enabled the department to mainstream vitamin A supplementation within the ECDE calendar thus sustaining

a high coverage of vitamin A supplementation among children below 5 years at 83.4% way above the national target of 80%.

194) In collaboration with Moi University, the department of Health was able to conduct mapping of sickle cell patients across the county. This will offer a platform for the department to estimate significant clinical events including frequency of Vaso occlusive crisis, transfusion needs, frequency of complication, and pattern of drug prescription as well as survival.

195) The role of partners could not also be overlooked during the period, and their efforts in supplementing the county government's efforts was notable. Among the partners were, Global Fund for their support towards HIV/AIDS and TB programs, Marie Stopes & Dumisha Afya for HIV, Comprehensive care and health systems strengthening, Nutrition International in Nutrition, Fred Hollows in Eye care Services, DANIDA FOR Level I,II,III interventions, CEDC in Budgeting and advocacy, UNICEF in Child Health & sanitation, Health Systems Strengthening, planning and Budgeting, Red Cross and Living Goods in Level I interventions, advocacy and Health financing among others.

196) Challenges faced by the department included limited funding which has restricted the department's ability to expand services, improve infrastructure, and provide necessary resources.

197) The department also experienced insufficient staffing levels leading to stretched workforce resulting in longer waiting times, decreased quality of care, and the inability to effectively handle patient loads.

198) Failure to fully implement the Facility Improvement Fund (FIF) Act has had negative implications for ring-fencing the department's resources.

199) The department also experienced inadequate supply of essential health commodities and technologies, such as medical drugs, laboratory reagents, and supplies for the Renal unit hampering the delivery of quality healthcare.

200) In addition the department experienced insufficient and incomplete healthcare facilities, including hospitals, clinics, and dispensaries limiting access to healthcare services.

201) Lack of service contracts leading to inadequate maintenance of medical equipment particularly in the laboratory and radiology departments.

202) Heavy reliance on donors and partners for funding and support has created an unsustainable dependency for the health sector.

203) Poor referral system within the healthcare network leading to suboptimal health outcomes, including maternal deaths.

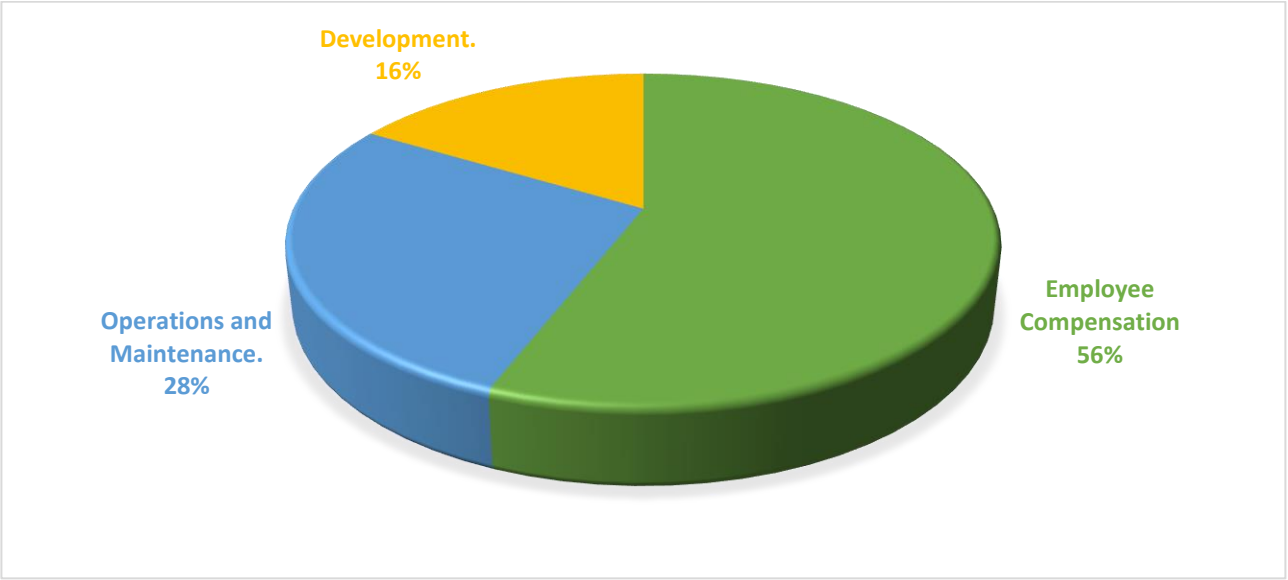
204) Poor workmanship by contractors in some completed projects rendering them non-operational or inefficient.

205) In the medium term, the department intends to undertake several substantial improvements. These include upgrading the Busia County Referral Hospital to fully function as a Level Five hospital, equip 13 facilities with assorted laboratory equipment and completing and operationalizing 1 specialized maternal health hospital. Additionally, the department aims to strengthen capacity for environmental health, food safety, vector and vermin control, disease surveillance, Health promotion, Jigger control, school health, NTDs and water safety services.

206) The department was allocated **Ksh. 2,417,970,473** which constituted to **25%** of the overall county budget. This constituted Ksh. **396,702,959 (16.4%)** as development allocation and **Ksh. 1,352,762,588 (83.6%)** as recurrent allocation.

Allocation analysis by economic classification- Health and Sanitation

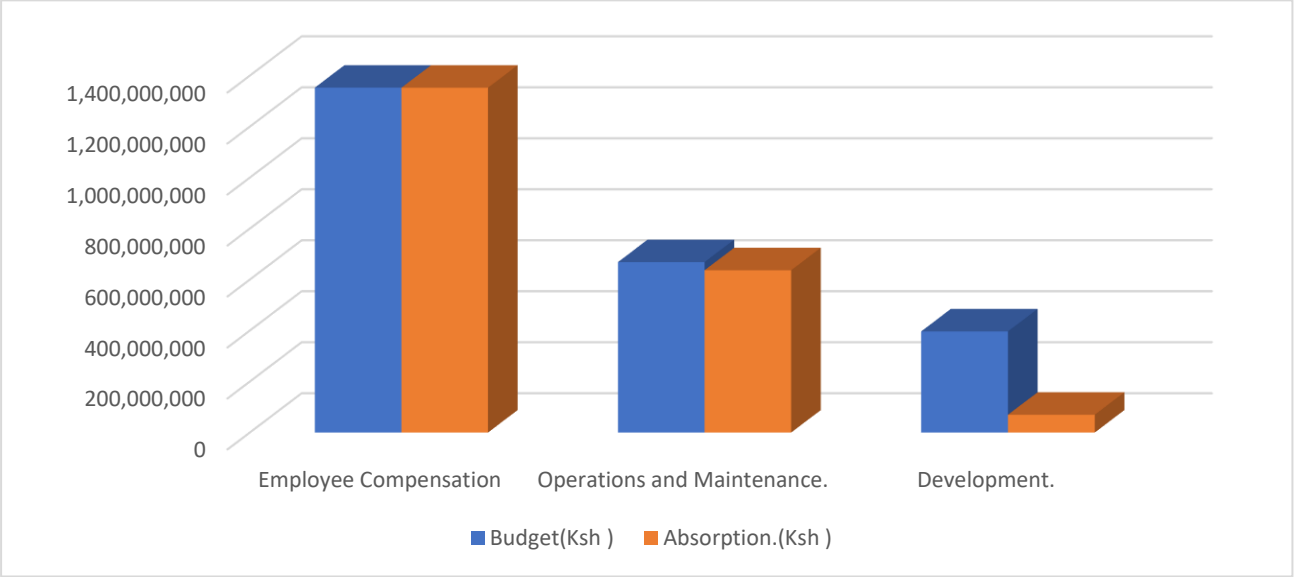
No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	1,352,762,588	55.95%
2	Operations and Maintenance.	668,504,926	27.65%
3	Development.	396,702,959	16.41%
	TOTAL.	**2,417,970,473**	**100.00%**



207) Personnel cost allocation was the highest at 56%. The development cost was the second highest with a budget allocation of 28%. Operations and Maintenance was the least beneficiary with 16%.

c	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	1,352,762,588	1,352,622,535	100.0%
2	Operations and Maintenance.	668,504,926	636,592,998	95.2%
3	Development.	396,702,959	69,799,193	17.6%
	TOTAL.	**2,417,970,473**	**2,059,014,726**	85.2%

Absorption analysis



208) The total absorption was **Ksh 2.059** Billion representing 85.2 % of the total departmental budget allocation for FY 2022/2023. Development vote absorption was at 17.6%. The department utilization of the Personnel Emoluments was at 100% while Operations and Maintenance absorption was at 95.2%.

11) County Public Service Board

209) The vision of the Busia County Public Service Board is to be a beacon of professionalism, integrity, equity and dedication to quality public service.

210) The department's mission is to provide efficient and effective professional services for the realization of Busia County and national development goals through competitive recruitment, planning, developing and managing human capital.

211) The County Public Service Board is mandated to establish and abolish public offices, appoint and confirm persons to offices, promote public service values and principles, facilitate the development of human resource, exercise disciplinary control, and prepare regular reports.

212) In ensuring institutional professionalism and good governance, the Public Service Board promotes transparency, accountability and adherence to national values and principles through

enforcement of Leadership and Integrity Act, 2012, Public Officer Ethics Act, Performance management systems and training curriculum.

213) To Promote service delivery in the county, public service board ensures human resource requirements are addressed effectively through developing an integrated electronic human resource database to facilitate HR Planning, reviewing existing and develop new HRM/D policies and guidelines, Developing Human Resource in the County Public Service, developing human resource plans for the county, exploiting research Technology and innovation and enhancing capacity of Board members and the Secretariat staff.

214) Programs Undertaken included recruitment of Governors staff as per the Transition Act 22/23, prepared the Departments Annual performance report 2022 Financial year, successfuly undertook recruitment and subsequent deployment of County Chief officers to various departments, prepared the transition report for F/Y 2022 /2023 and offered advisory to the Governor on assumption of office.

215) Challenges Encountered by the department were; inadequate working space for staff, insufficient Budgetary Allocation, hence limiting the scope for service delivery as most programs are underfunded and insufficient workforce hence limiting the performance output per staff as most staff are overworked.

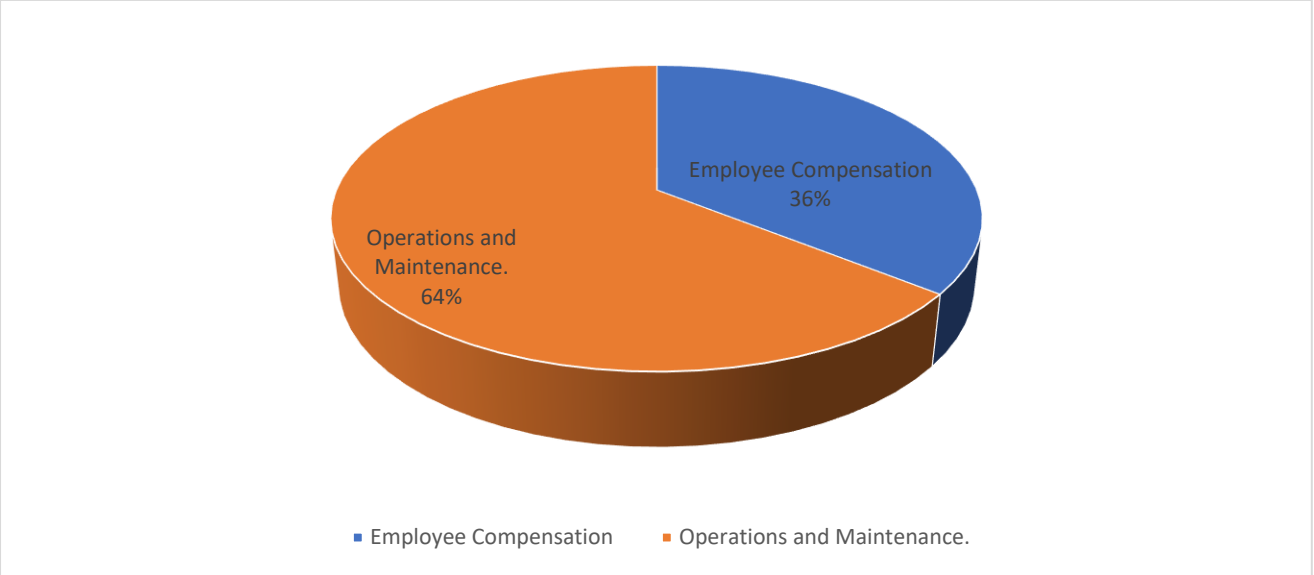
216) As a away forward the department recommends; timely disbursement of funds to departments to ensure programs run as per the timelines, prudent use of allocated resources and lastly early Planning should be adhered to so as to ensure the intended purposes for funding is achieved.

217) The department was allocated **Ksh. 100,702,145** which constituted **1%** of the overall budget. The budget for the department was divided as follows:

Table 15: Allocation analysis by economic classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	35,977,949	35.7
2	Operations and Maintenance.	64,724,196	64.3
	TOTAL.	**100,702,145**	**100**

Chart 8: Allocation analysis

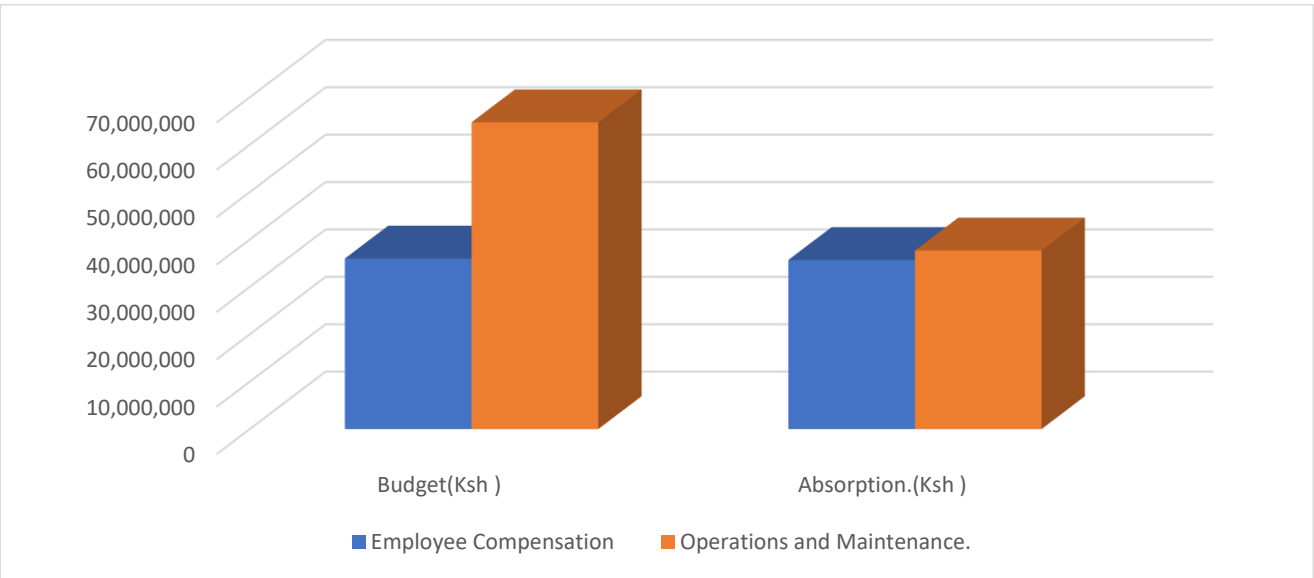


218) Operations and Maintenance allocation was 64%. While Personnel cost (Compensation to employees) was 36%.

Table 16: Absorption Analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	35,977,949	35,678,669.78	99.2%
2	Operations and Maintenance.	64,724,196	37,678,669.05	58.2
	TOTAL.	**100,702,145**	**73,357,338.83**	**72.8%**

Graph 12: Absorption analysis



219) The total absorption was Ksh 72.8 representing 98% of the total departmental budget. The department utilization of the Personnel Emoluments was at 35.4% while Operations and Maintenance absorption was at 72.8%.

12. Governorship

220) The Governorship comprises of the office of the Governor, Deputy governor and County secretary.

221) The office of the governor is an administrative office 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; swift response to critical community needs during disaster occurrences; publicity and branding. The office of the governor has three directorates namely; Disaster Risk Management, Security & Enforcement and Communication.

222) The office of the deputy governor is the hinge of the county government on matters of the County capacity development for policy formulation and coordination. It has two units; Policy coordination and legislative and service delivery unit.

223) The office of the county secretary is envisaged in section 44 of the county government act, 2012. The county secretary is the head of the county public service and his/her office is responsible for keeping the minutes of the county executive committee subject to the directions of the executive committee, convey the decisions of the county executive committee to the appropriate persons and authorities.

224) In the year under review, the office of the governor focused on matters of the county capacity development for policy formulation and coordination.

225) Through the directorate of disaster risk management, the office of the governor mitigated disaster occurrences within the County through; Disaster Management Committee meetings, flood assessment surveys and fire response drills. The directorate of disaster risk management has two modern fire engines with a capacity of 9,000 litres of water and 1,000 litres of foam which enables the county to successfully respond and mitigate fires incidences. The Directorate rolled out fire compliance program by issuing certificates to fire-compliant business premises, schools, government and private buildings and prayer centres.

226) Through the directorate, installation of lightning arrestors more specifically in Teso north as a result of frequent thunder strikes in the region was effectively done. The directorate is also targeting to safe guard all learning institutions and urban centres in the medium term as a result of high population in such areas.

227) The communication directorate being a unit under the office of the governor played 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.

228) Phase I of the disaster management centre at public works offices was completed and operationalized.

229) The directorate of Communication produced a video documentary highlighting the achievements of the County Government, developed editorial policy for the directorate, the directorate has so far broadcasted more than 300 programmes of radio magazine in more than eight radio/TV stations highlighting the achievements across the entire county.

230) The Enforcement and Security directorate enforces compliance on County laws. The directorate trained its personnel on the rule of law so as to ensure the public has full compliance on the County laws especially; County Finance bill, Land and Environmental bill, Trade bill and Cess bill, this will later help boost on the own source local revenue collection in the County. The directorate will continue with its mandate in the medium term with the facilitation of recurrent budget and equipment such as clampers and spikes.

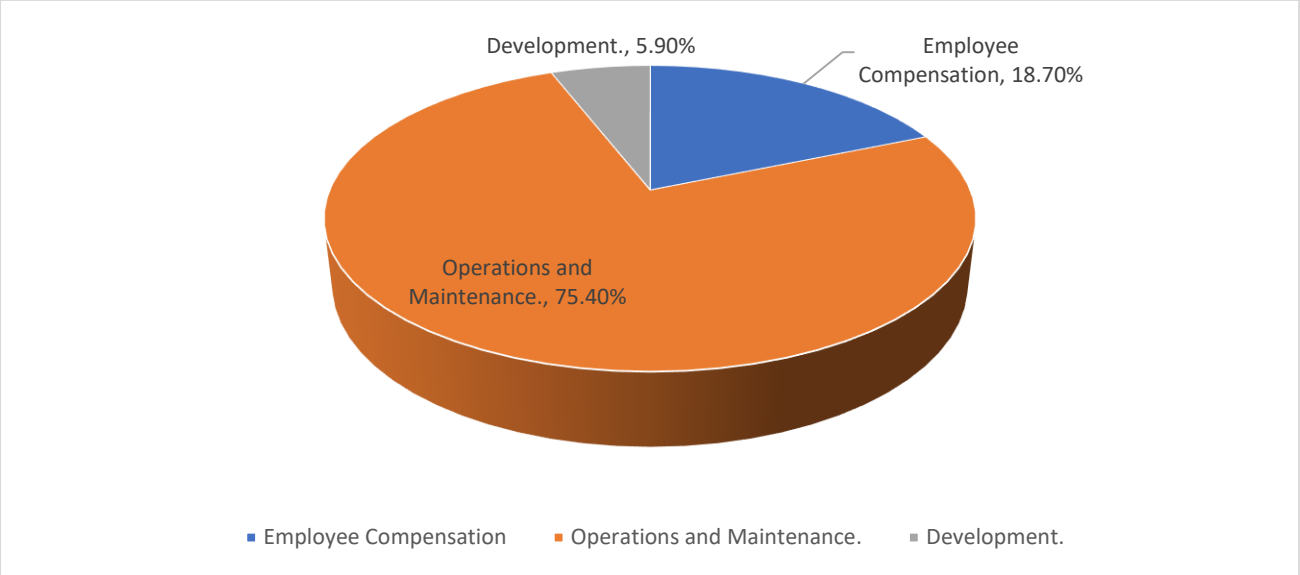
231) The county secretary's office has a legal unit equipped with county attorney's personnel to help the county on legal matters.

232) The department was allocated **Ksh. 512,055,600** which constituted to **5.35%** of the overall budget. This constituted **Ksh. 30,296,345 (5.92%)** as development allocation and **Ksh. 481,759,255 (94.08%)** as recurrent allocation. The budget for the department was divided as follows:

Table: Allocation Analysis by economic classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	95,809,264	18.7%
2	Operations and Maintenance.	385,949,991	75.4%
3	Development.	30,296,345	5.9%
	TOTAL.	**512,055,600**	**100.0%**

Chart: Allocation Analysis

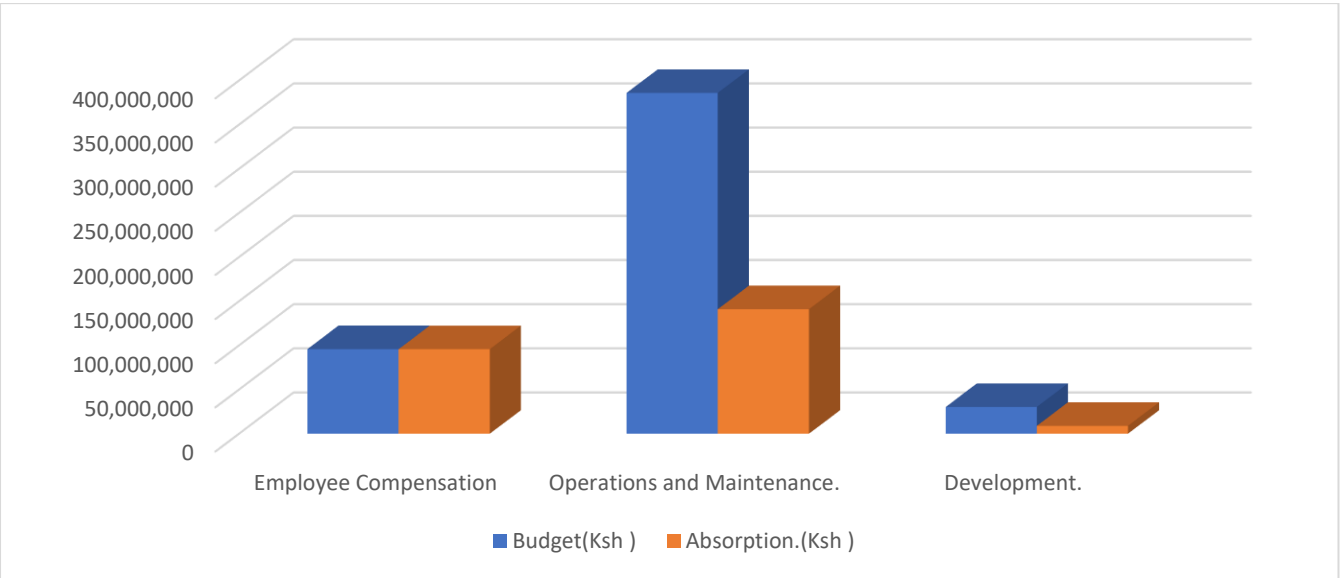


Operations and Maintenance allocation was the highest at 75.4%. Personnel cost was the second highest with a budget allocation of 18.7%. The development cost was the least beneficiary with 5.9%.

Table: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	95,809,264	95,737,470	99.93%
2	Operations and Maintenance.	385,949,991	240,800,003	62.39%
3	Development.	30,296,345	8,919,717	29.44%
	TOTAL.	**512,055,600**	**245,672,413**	**47.98%**

Graph: Absorption analysis



13) County Assembly

233) The vision of the County Assembly is to be a modern County Assembly that fulfills its constitutional mandate and effectively serve the people of Busia County.

234) 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.

235) The County Assembly's core function is to develop legislation, perform oversight and representation.

236) 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 of Busia County.

237) During the FY 2022/2023 the County assembly was able to undertake the following projects; installation of digital Hansard system at ksh.3,189,389, erection of perimeter wall, purchase and installation of power generator, furnishing, landscaping, |dropping of power and drilling of borehole was done at the speaker's official residence amounting to ksh.14,875,337.

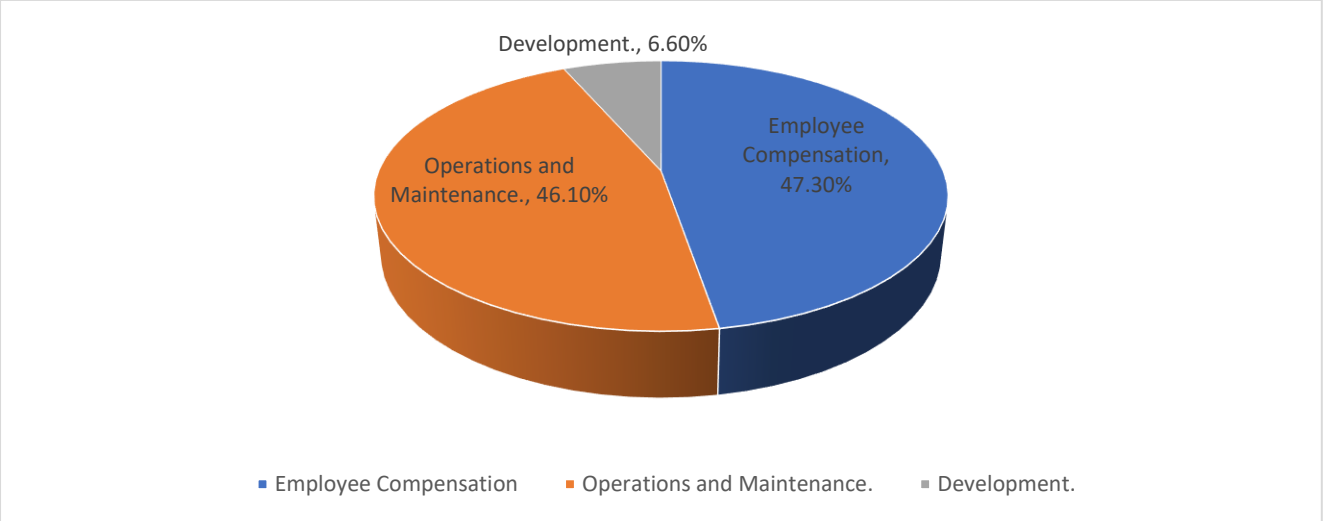
238) Further renovation of buildings at ksh.1,065,000, installation of bulky filling cabinets at ksh.1,996,980 and equipping of legislative library at ksh.1,000,000 was undertaken.

239) In the FY 2022/23 the County Assembly was allocated **Ksh. 911,195,833** which constituted to 9.5% of the overall budget. This comprised of Ksh. **60,000,000 (6.6%)** as development allocation and **Ksh. 851,195,833(93.4%)** as recurrent allocation. The budget for the department was divided as follows:

Table 17: Allocation Analysis by economic classification

No.	Description.	Amount.(Ksh)	Percentage.
1	Employee Compensation	431,055,833	47.3
2	Operations and Maintenance.	420,140,000	46.1
3	Development.	60,000,000	6.6
	TOTAL.	**911,195,833**	**100**

Chart 9: Allocation Analysis

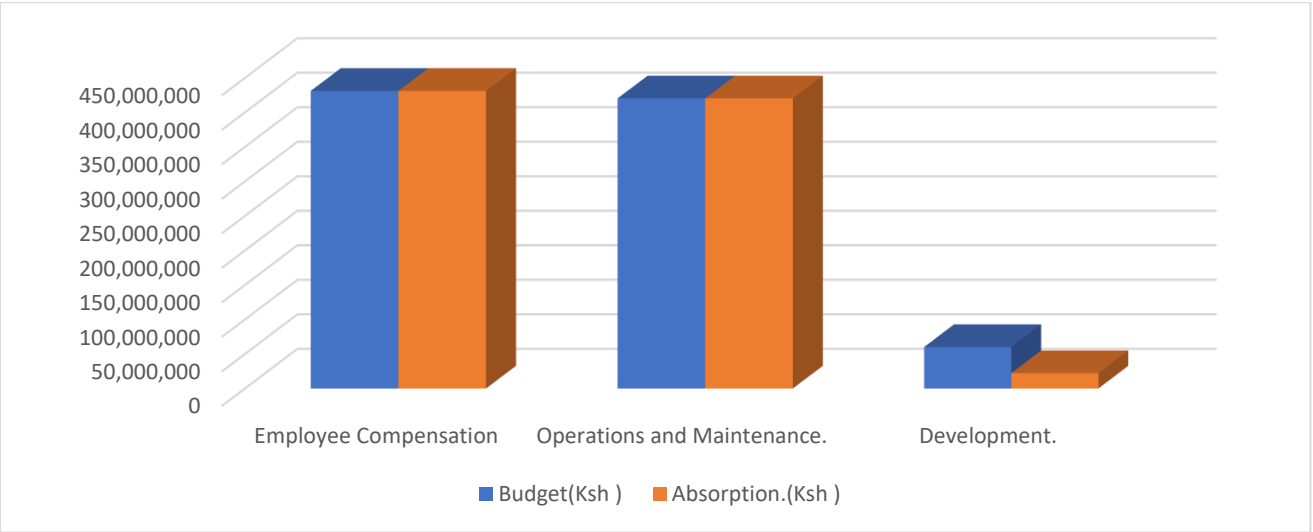


240) Personnel cost (Compensation to employees) allocation was the highest at 47.3%. Operations and Maintenance was the second highest with a budget allocation of 46.1%. The development cost was the least beneficiary with 6.5%.

Table 18: Absorption analysis

No.	Description.	Budget(Ksh)	Absorption.(Ksh)	Percentage.
1	Employee Compensation	431,055,833	431,055,833	100
2	Operations and Maintenance.	420,140,000	420,140,000	100
3	Development.	60,000,000	22,126,706	37
	TOTAL.	**906,409,679**	**873,322,539**	**96**

Graph 13: Absorption analysis



241) The total absorption was Ksh 873,322,539 million representing 96% of the total allocated budget. Development vote absorption was at 37%. The department utilization of the Personnel Emoluments was at 100% while Operations and Maintenance absorption was at 100%

V. Proposed Revenue Projections

Revenue Sources	Revised Budget Estimates	Actuals	Budget Estimates	Projection		
	FY 2022 2023	FY 2022 2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.
Total Revenue Local Source	**469,163,025**	**343,922,976**	**549,015,633**	**605,757,174**	**666,332,891**	**732,966,180**
Less: Appropriation in Aid	158,451,783	142,150,611	152,222,283	193,558,954	212,914,849	234,206,334
Total Net Own Source Revenue	**310,711,243**	**201,772,365**	**396,793,350**	**412,198,220**	**453,418,042**	**498,759,846**
National Government:	-		-			
Equitable Share.	7,172,162,009	7,172,162,009	7,467,233,148	8,064,611,800	8,467,842,390	8,891,234,509
Other Grants	**703,979,156**	**251,527,699**	**526,355,496**	**726,355,496**	**526,355,496**	**526,355,496**
Sub-Total	**7,876,141,165**	**7,423,689,708**	**7,993,588,644**	**8,790,967,296**	**8,994,197,886**	**9,417,590,005**
Grand Total Revenue	**9,577,880,925**	**9,000,189,420**	**8,542,604,277**	**9,396,724,469**	**9,660,530,777**	**10,150,556,185**

VI. Proposed Departmental Ceilings

242) The County Government through the 2023 CBROP proposes departmental ceilings 2024/25 and MTEF. The ceilings are aligned to programmes in the approved Annual Development Plan (ADP) for FY 2024/25.

243) The proposed departmental ceilings are as summarized in the table below;

Department	Approved budget	Proposed Ceilings		
	FY 2023/2024	FY 2024/2025	FY 2025/2026	FY2026/2027
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness				
Employee Compensation	188,802,115	207,682,327	228,450,559	251,295,615
Operations and Maintenance	74,091,760	81,500,936	89,651,030	98,616,133
Development	466,948,206	513,643,027	565,007,329	621,508,062
Sub Total	**729,842,081**	**802,826,289**	**883,108,918**	**971,419,810**
Trade, Investment, Industrialization Cooperatives, Small and Micro Enterprises				
Employee Compensation	35,485,751	39,034,326	42,937,759	47,231,535
Operations and Maintenance	50,350,769	55,385,846	60,924,430	67,016,874
Development	361,300,000	397,430,000	437,173,000	480,890,300
Sub Total	**447,136,520**	**491,850,172**	**541,035,189**	**595,138,708**
Education and Industrial Skills Development				
Employee Compensation	375,036,758	412,540,434	453,794,477	499,173,925
Operations and Maintenance	138,351,263	152,186,389	167,405,028	184,145,531
Development	199,800,000	219,780,000	241,758,000	265,933,800
Sub Total	**713,188,021**	**784,506,823**	**862,957,505**	**949,253,256**
County Treasury and Economic Planning				
Employee Compensation	435,838,881	462,746,625	509,021,288	559,923,416
Operations and Maintenance	317,225,522	335,514,391	369,065,830	405,972,413
Development	22,000,000	15,838,500	17,422,350	19,164,585
Sub Total	**775,064,403**	**852,570,843**	**937,827,928**	**1,031,610,720**
Youth, Sports, Culture, Gender and Creative Arts				
Employee Compensation	35,155,775	38,671,353	42,538,488	46,792,337

Department	Approved budget	Proposed Ceilings		
	FY 2023/2024	FY 2024/2025	FY 2025/2026	FY2026/2027
Operations and Maintenance	75,400,461	82,940,507	91,234,558	100,358,014
Development	112,000,000	123,200,000	135,520,000	149,072,000
Sub Total	**222,556,236**	**244,811,860**	**269,293,046**	**296,222,350**
Transport, Roads and Public Works				
Employee Compensation	112,836,678	124,120,346	136,532,380	150,185,618
Operations and Maintenance	150,632,390	165,695,629	182,265,192	200,491,711
Development	457,040,000	502,744,000	553,018,400	608,320,240
Sub Total	**720,509,068**	**792,559,975**	**871,815,972**	**958,997,570**
Public Service Management				
Employee Compensation	122,311,116	134,542,228	147,996,450	162,796,095
Operations and Maintenance	342,460,513	376,706,564	414,377,221	455,814,943
Sub Total	**464,771,629**	**511,248,792**	**562,373,671**	**618,611,038**
Lands, Housing and Urban Development				
Employee Compensation	58,537,303	64,391,033	70,830,137	77,913,150
Operations and Maintenance	77,463,836	85,210,220	93,731,242	103,104,366
Development	169,094,559	186,004,015	204,604,416	225,064,858
Sub Total	**305,095,698**	**335,605,268**	**369,165,795**	**406,082,374**
Water,Enviroment, Irrigation,Natural Resources and Climate Change				
Employee Compensation	66,253,335	72,878,669	80,166,535	88,183,189
Operations and Maintenance	89,033,121	97,936,433	107,730,076	118,503,084
Development	299,700,000	329,670,000	362,637,000	398,900,700
Sub Total	**454,986,456**	**500,485,102**	**550,533,612**	**605,586,973**
Health Services and Sanitation				
Employee Compensation	1,408,857,857	1,549,743,643	1,704,718,007	1,875,189,808
Operations and Maintenance	385,783,154	424,361,469	466,797,616	513,477,378
Development	346,567,375	381,224,113	419,346,524	461,281,176
Sub Total	**2,141,208,386**	**2,355,329,225**	**2,590,862,147**	2849948362
County Public Service Board				
Employee Compensation	36,636,445	40,300,090	44,330,098	48,763,108
Operations and Maintenance	78,076,972	85,884,669	94,473,136	103,920,450
Sub Total	**114,713,417**	**126,184,759**	**138,803,235**	**152,683,558**
Strategic Partnerships and Digital Economy				
Employee Compensation		16,676,144	18,343,758	20,178,134
Operations and Maintenance		13,293,447	14,622,792	16,085,071
Development		8,361,500	9,197,650	10,117,415
Sub Total		**38,331,091**	**42,164,200**	**46,380,620**
The Governorship				
Employee Compensation	70,710,596	77,781,656	85,559,821	94,115,803
Operations and Maintenance	172,391,414	189,630,555	208,593,611	229,452,972
Development	77,000,000	84,700,000	93,170,000	102,487,000
Sub Total	**320,102,010**	**352,112,211**	**387,323,432**	**426,055,775**
County Law Office				
Employee Compensation	25,098,668	27,608,535	30,369,388	33,406,327
Operations and Maintenance	41,174,332	45,291,765	49,820,942	54,803,036
Sub Total	**66,273,000**	**72,900,300**	**80,190,330**	**88,209,363**
The County Assembly				
Employee Compensation	452,433,683	497,677,051	547,444,756	602,189,232
Operations and Maintenance	554,723,669	610,196,036	671,215,639	738,337,203
Development	60,000,000	66,000,000	72,600,000	79,860,000
Sub Total	**1,067,157,352**	**1,173,873,087**	**1,291,260,396**	**1,420,386,436**
Employee Compensation	**3,423,994,961**	**3,766,394,457**	**4,143,033,903**	**4,557,337,293**
Operations and Maintenance	**2,547,159,176**	**2,801,734,858**	**3,081,908,343**	**3,390,099,178**
Development	**2,571,450,140**	**2,828,595,154**	**3,111,454,669**	**3,422,600,136**
Grand Total	**8,542,604,277**	**9,396,724,469**	**10,336,396,916**	**11,370,036,607**