



**REPUBLIC OF KENYA**

**COUNTY GOVERNMENT OF BUSIA**

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER**

**FY 2016/2017**

**DEPARTMENT OF FINANCE & ICT**

**SEPTEMBER 2017**

## **FOREWARD**

It is my pleasure to present Busia County Budget Review and Outlook Report for FY 2016/2017. The report is prepared in accordance with Public Finance Management Act 2012, Section 118.

This report examines budget performance by the county departments against the approved budgeted allocations. It is based on analysis of financial reports prepared by the County Treasury on performance of the approved county budgets and reports generated from the Integrated Financial Management Information System (IFMIS). The report highlights the achievements and challenges encountered in budget implementation by individual departments and suggests recommendations to improve budget implementation in subsequent years.

In FY 2016/17, Busia County Government total budget approved by the County Assembly amounted to Kshs. 7.546 billion. This comprised of Kshs. 4.471 billion (59.26 per cent) allocated to recurrent expenditure and Kshs. 3.074 billion (40.74 percent) for development expenditure. Out of this, the county expected to receive Kshs. 5.870 billion as equitable share, Kshs. 244.45 Million conditional grants, Kshs. 587.511 Million from own sources and balance brought forward from FY 2015/16 of Kshs. 843.551 Million.

The county did receive the entire amount of equitable share and balance brought forward for FY 2015/16 from the national government. The actual conditional grants was Kshs. 298.124 Million out of which Kshs. 90.005 Million was received from the national government to cater for the doctors, nurses, clinical and other medical staff allowances. Local revenue collected was Kshs. 255.233 Million.

**Lenard Wanda Obimbira**

**County Executive Committee Member – Finance & ICT**

## **Acknowledgement**

The successful production of this document was made possible through the support of the County Executive Committee, Chief Officers, Directors and dedication of the County Treasury and County Assembly staff. I am therefore grateful to these members of staff for their commitment and dedication in the production of this document.

More specifically, I am grateful to the Head of Treasury Budgeting and Expenditure- Priscah I Omoit for provision of exemplary leadership in the execution of this task together with her team. The team comprised of the following officers who worked diligently to prepare this document: Ambrose Fwamba HSC, Vincent Asikoye, Korir Kelong, Hudson Mugendi, Rose Sang, William Picha, Bonface Amwayi, Chrisantus Okware Ekesa, Bernard Onunga, Nicholas Mutua Kiema, Isaac Enaga, Cynthia Amaase, Daniel Teba Emaase and William Chepkwony.

The information contained in this document is useful to County Assembly and the public at large in tracking and providing oversight in the budget implementation process. It is also useful in monitoring budget implementation by the County governments spending units. I therefore call for the involvement of all stakeholders in budget implementation in order to promote efficient and effective management of public finances in the County

**Allan Ekweny Omachar**

**Chief Officer – Finance and ICT**

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## Abbreviations and Acronyms

ACWICT	African Centre for Women in Information Communication Technology
ADP	Annual Development Plan
BCRH	Busia County Referral Hospital
CA	County Assembly
CBA	Collective Bargaining Agreements
CBROP	County Budget Review and Outlook Paper
CEC	County Executive Committee
CFSP	County Fiscal Strategy Paper
CG	County Government
CHWs	County Health Workers
CIDP	County Integrated Development Plan
CILOR	Contribution In Lieu of Rates
ECDE	Early Childhood Development Education
EMR	Electronic Medical Records
FY	Fiscal Year
GDP	Gross Domestic Product
HELB	Higher Education Loans Board
IFMIS	Integrated Financial Management Information Systems
KDSP	Kenya Devolution Support Programme
KEPH	Kenya Essential Package for Health
M&E	Monitoring and Evaluation
O&M	Operations and Maintenance
PE	Personnel Emoluments
PFMA	Public Finance Management Act
PPPs	Public Private Partnerships
QAS	Quality Assurance Standards

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

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

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

## Fiscal Responsibility Principles in the Public Financial Management Law

In line with the Constitution, the Public Finance Management (PFM) Act, 2012

Sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107) 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 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

### Legal Framework

1. The County Budget Review and Outlook paper (CBROP) is prepared in line with the Public Finance Management Act, 2012 section 118. The Act requires that every county prepares a CBROP by 30th September of that financial year and submit the same to the County Executive Committee (CEC). The CEC shall in turn:
  - i. Within fourteen days after submission, consider the CBROP with a view to approving it, with or without amendments.
  - ii. 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.

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

- a. The 2017 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) 2013-2017.
- b. CBROP provides highlights on the performance of the county departments and reasons for any deviation from the financial objectives in the CFSP together with the proposals to address the deviation.
- c. CBROP also provides the basis for determining the programmes to be undertaken by the county within the Medium Term.



## II. REVIEW OF FISCAL PERFORMANCE FOR THE FY 2016/2017

### Overview

2. This section presents an overview of the financial analysis, performance and implementation of the budget for the financial year 2016/2017.
3. The county did made tremendous achievements across the various departments as they strove to implement their key priority programmes. This is reflected by an increase in absorption rate from 81% the previous fiscal year to 96% for county recurrent budget and 66% to 76% for county development budget. The high percentage in recurrent budget is attributed to increased demand for services under Operations and Maintenance.
4. Some of the significant progress made across the departments include;
  - a. Improved access to outpatient and inpatient health services through establishment of various health facilities that is; Busia County Referral Hospital (level 5), 7 level 4 Sub County Hospitals, 15 level 3 health cares and 52 dispensaries in the 35 wards.
  - b. Increased accessibility to water across the county through installation of solar water pumps and extension of water pipes in the seven sub counties
  - c. Improved road connectivity through opening access roads and upgrading of major roads to bitumen standard. Road network stood at 1600 km out of which approximately 180 km is tarmacked.
  - d. Provision of credit to small micro enterprise groups through distribution of Kshs 27,285,590 Agricultural Development Fund and Kshs 21,073,000 Cooperative Development Fund in the FY 2016/17.
5. However, implementation of 2016/2017 budget was faced with a myriad of challenges such as:
  - a. The departments find it challenging to accurately estimate their resource needs when budgets are drafted.
  - b. Low absorption of development expenditure compared to recurrent expenditure. There is need to enhance absorption of development expenditure allocation through proper and early planning. The development expenditure absorption rate of 76.39% is significantly low compared to the absorption rate for recurrent expenditure which stands at 95.65 % in the FY 2016/2017
  - c. Underperformance of actual local revenue collections that fell from Ksh. 334.22 Million in FY 2015/2016 to Ksh. 255.23 Million in FY 2016/2017 (23.63% drop) against a projection of Ksh. 587.51 Million, this affected execution of County services since the projected revenue formed part of the resource envelop.

- d. The increase in compensation to employees caused by new Collective Bargaining Agreements (CBAs) and new employments put pressure on the operation and maintenance vote. Compensation of employees stood at Kshs 2.486 Billion in FY 2016/2017 compared to Ksh.2.333 Billion reported in the FY 2015/2016.
- e. Failure by National Treasury to disburse funds based on the approved cash disbursement schedule, which affected timely implementation of budgeted activities.

## **FY 2016/2017 Financial Analysis of the Budget**

### **Revenue Analysis**

- 6. In FY 2016/17, Busia County Government total budget approved by the County Assembly amounted to Kshs 7.545 billion. This comprised of Kshs. 4.471 billion (59.26per cent) allocated to recurrent expenditure and Kshs. 3.074 billion (40.74 per cent) for development expenditure.
- 7. In order to finance the budget, Busia County expected to receive Kshs. 5.870 billion as equitable share, Kshs. 244.45 Million as conditional grants, generate Kshs. 587.51 Million from own sources, and utilize balance brought forward from FY 2015/16 of Kshs.843.55 Million
- 8. The conditional grants comprised of Kshs. 92.08 Million for Free Maternal Health Care, Kshs. 90.2M from the Road Maintenance Fuel Levy Fund, Kshs 17.3 Million for compensation of User Fees Foregone, Ksh. 15.13 Million from DANIDA and Kshs. 29.76 from Word Bank (KDSP)
- 9. The county received the Entire Equitable Share, Compensation for User Fees, Road Maintenance Fuel Levy. In addition, the county did also receive Kshs. 94.0M for Doctors, Nurses, Clinical and other Medical Staff Allowances.
- 10. The county did not receive Kshs.29.76M from The National Treasury as the World Bank (KDSP) and Kshs.8.64M for DANIDA FY2016/2017.

### **Local Revenues**

- 11. The total annual local revenue target for Busia County in FY 2016/17 was Kshs. 587.51Million. During the period under review, the county generated a total of Kshs.255.23 Million, which was 43.44% of the annual target. This was a decline compared to Kshs. 334.22Million reported in FY 2015/16 (61.55 % of FY 2015/16 annual revenue target).
- 12. The Revenue from own sources performed dismally falling short of target by Ksh. 332.28 Million. This shortfall was attributed to:

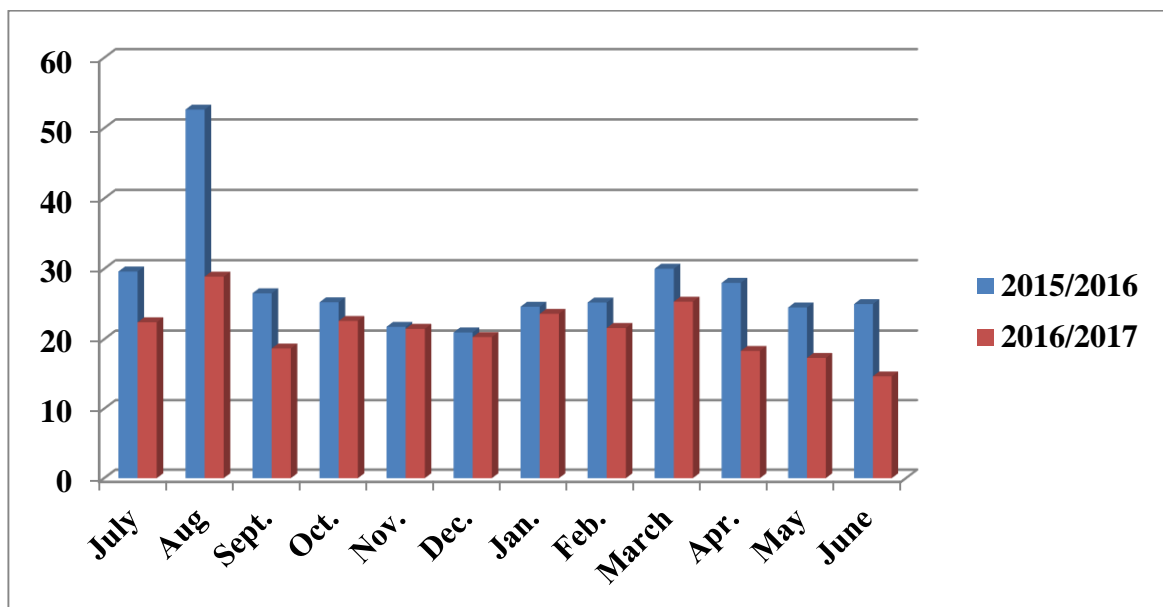
- a) Slow roll out of automation of all the revenue streams
- b) High number of non-performing revenue streams due to lack of legal statutes and gaps in existing statutes to operationalize them leading to overstatement of the local revenue projections.
- c) Revenue leakages which are being addressed by automation of revenue collection.

13. The monthly local revenue collection in FY 2015/16 and FY 2016/17 is shown in the table below.

**Table 1: Monthly Local Revenue-FY 2015/2016 and FY 2016/2017**

FY	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	Totals
<b>2015/2016</b>	29.63	52.64	26.53	25.26	21.77	20.97	24.62	25.219	30.02	28.02	24.52	25.00	<b>334.199</b>
<b>2016/2017</b>	22.41	28.90	18.67	22.60	21.483	20.31	23.61	21.60	25.34	18.32	17.32	14.66	<b>255.223</b>

**Figure 1: Monthly Local Revenue- FY 2015/2016 and 2016/2017 (Ksh.)**

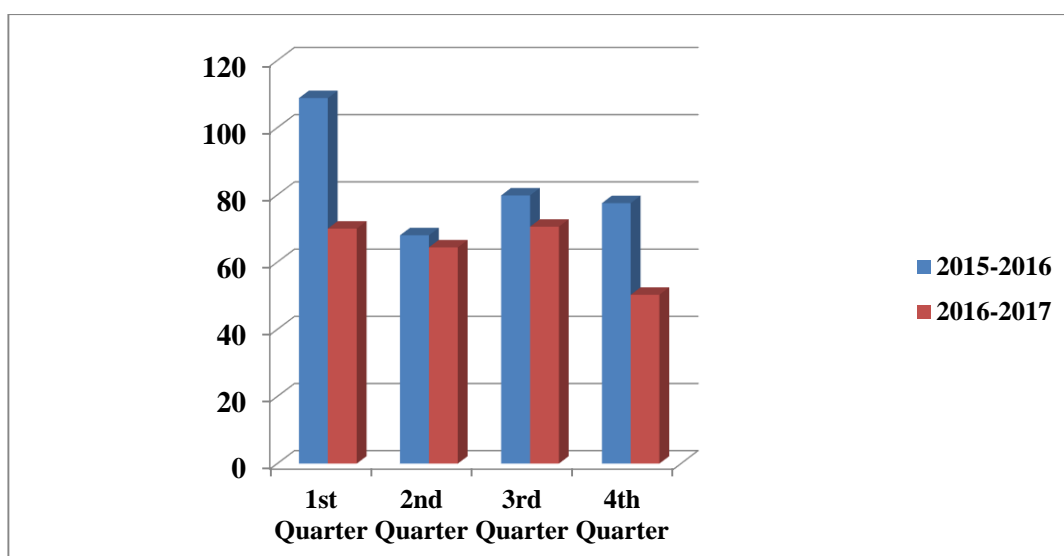


**Table 2: Local Revenue Collection per Quarter 2015/2016-2016/2017**

N0	Quarter	Amount Collected (Ksh. Millions)	
		2015-2016	2016-2017
1	1 <sup>st</sup> Quarter	108.81	69.99
2	2 <sup>nd</sup> Quarter	68.01	64.40
3	3 <sup>rd</sup> Quarter	79.86	70.55
4	4 <sup>th</sup> Quarter	77.55	50.29
<b>TOTAL</b>		<b>334.23</b>	<b>255.23</b>

Source: County Treasury

**Graph 1: Local Revenue Collection per Quarter 2015/2016-2016/2017 (Ksh.)**



**Table 3: Total County Resource Envelope for FY 2016/2017 (Ksh. Millions)**

Department	Revenue Sources	Approved Budgeted	Actual	Variance
<b>Administrative Services</b>	Administration charges	0.2	-	-0.2
	Application/Tender/Approval/Transfer fees	4	0.02	-3.98
	Impounding/ Clamping fees	0.74	0.04	-0.71
	Penalties and in illegal cuttings			
Sub-Total		<b>4.94</b>	<b>0.06</b>	<b>-4.89</b>
<b>Agriculture &amp; Animal Production</b>	Sugarcane cess	10.98	1.58	-9.39
	Fish cess	3.42	1.5	-1.91
	Tractor hire services	6.05	0.81	-5.24

	Agricultural Training College (ATC) Busia	5.79	1.83	-3.96
	Veterinary services	2.69	1.6	-1.09
	Stock Sale	5.55	3.58	-1.97
	Fish traders license	0.85	0.02	-0.83
	Fish movement permit	1.52	0.27	-1.25
	Fisherman license	0.5	-	-0.5
	Registration of boat license	0.5	-	-0.5
	Wakhungu fish farm	0.5	-	-0.5
	Fish import permit	0.95	0.86	-0.09
	Fingerlings sells	0.12	-	-0.12
	Fisheries Department	0	0	0
<b>Sub Total</b>		<b>39.42</b>	<b>12.05</b>	<b>-27.35</b>
<b>Community Dev, Children &amp; Social Services</b>	Hire of Hall/Social/office	1.06	0.06	-1
	Liquor Licence	25	3.73	-21.27
	Group registration	0	0	0
	Office rent	0	0	0
<b>Sub-Total</b>		<b>26.06</b>	<b>3.79</b>	<b>-22.27</b>
<b>Education &amp; Vocational Training</b>	Registration of ECD	0.45	0.04	-0.41
	Nursery fees	0		0
<b>Sub-Total</b>		<b>0.45</b>	<b>0.04</b>	<b>-0.41</b>
<b>Heath</b>	Mortuary / burial fees	1.28	0.44	-0.84
	Slaughter fees	1.28	0.76	-0.52
	Hospital User fees	84.4	8.42	-75.98
	Public Health	4.05	1.79	-2.25
	Toilet fees			0
	Solid waste collection			0
	Maternity fees			0
	Health Sector Fund	10.4		-10.4
	<b>Sub-Total</b>		<b>101.41</b>	<b>11.41</b>
<b>Lands, Housing &amp; Urban Development</b>	Sub-Division (land)	0.5	-	-0.5
	Advertisement	7	3.29	-3.71
	Contribution in lieu of Rates (CILOR)	8	-	-8
	Land Rates (Site value rates/Ground rent)	5.81	0.82	-4.99
	Land rate collection/arrears	8.25	0.2	-8.05
	Plot Rent	4.75	1.05	-3.71
	Private Rental commercial	0.5	0.23	-0.27

	Private rental domestic	0.5	0.03	-0.47
	Application of plans	1.5	0.05	-1.45
	Title deeds registration of documents search charges, attestation inspections	0.15	0.02	-0.14
	Building plans approval	3.16	1.51	-1.66
<b>Sub-Total</b>		<b>40.12</b>	<b>7.2</b>	<b>-32.95</b>
<b>Roads, Transport and Public works</b>	Trailer Parking fees	150.15	97.27	-52.88
	Bus Parking fees	47.28	31.32	-15.95
	Motor Cycle Fees	3	-	-3
	Agricultural Machinery Services (AMS)	1.59	-	-1.59
<b>Sub-Total</b>		<b>202.02</b>	<b>128.59</b>	<b>-73.42</b>
<b>Trade, Cooperative Devt, Tourism &amp; Industry</b>	Single Business Permits	58.41	25.38	-33.04
	Market stalls /kiosks income	4.05	0.28	-3.76
	Kiosk rent			0
	Markets fees	30.42	17.84	-12.58
	Transit Produce cess	32.63	12.78	-19.85
	Stall rent			0
	Tobacco cess	2.7	2.21	-0.49
	Tourism	0.5	-	-0.5
	Stamping, Weighing & Measuring, Equipment Fines	1.52	0.25	-1.27
Co-operative audit fees	0.25	0.06	-0.19	
<b>Sub Total</b>		<b>130.48</b>	<b>58.8</b>	<b>-71.68</b>
<b>Water, Environment &amp; Natural Resources</b>	Sand cess	3.05	0.11	-2.94
	Quarry cess	0.5	0	-0.5
	Busia Hills Water Supply	3.3	1.43	-1.87
	Busijo Water Supply	0.73	0.17	-0.56
	Butula Water Supply	1.48	1.16	-0.31
	Munana Water Supply	1.21	0.89	-0.32
	Port Victoria Water Supply	2.75	2.14	-0.61

	Noise	1.34	0.37	-0.97
	Timber Cess	1	-	-1
	Mining of natural resources			0
	Sale of county public trees			0
	Other Miscellaneous	2.27	27.03	24.77
Sub Total		<b>17.63</b>	<b>33.3</b>	<b>15.69</b>
<b>Others</b>	Direct Banking from other Ministries			
	Interest on car loan and mortgage	25	-	-25
	Refunds			
Sub Total		<b>25</b>	<b>0</b>	<b>25</b>
	<b>Total Revenue Local Sources</b>	<b>587.51</b>	<b>255.23</b>	<b>-332.28</b>
National Government				
Balance B/F 2015/2016		761.45	761.45	0
Equitable share		5,870.10	5,870.10	0
Doctors ,Nurses, Clinical and other staff allowances		0	94	94
Donor Funding:				
1.Danida 2015/2016		12.99	12.99	0
2 Danida 2016/2017		15.13	6.5	8.6
2. World Bank(KDSP)		29.76	0	29.76
Compensation for user fees forgone		17.3	17.3	0
County emergency fund				
Road Maintenance Levy 2015/2016		69.11	69.11	0
Road Maintenance Levy 2016/2017		90.2	90.2	0
Balance B/F free maternal healthcare				
Free maternal health care/user fees foregone		92.08	90.13	1.95
Sub-Total		<b>6958.12</b>	<b>7011.78</b>	<b>134.31</b>
<b>GRAND TOTAL</b>		<b>7545.63</b>	<b>7267.01</b>	<b>-197.97</b>

*Source: County Treasury*

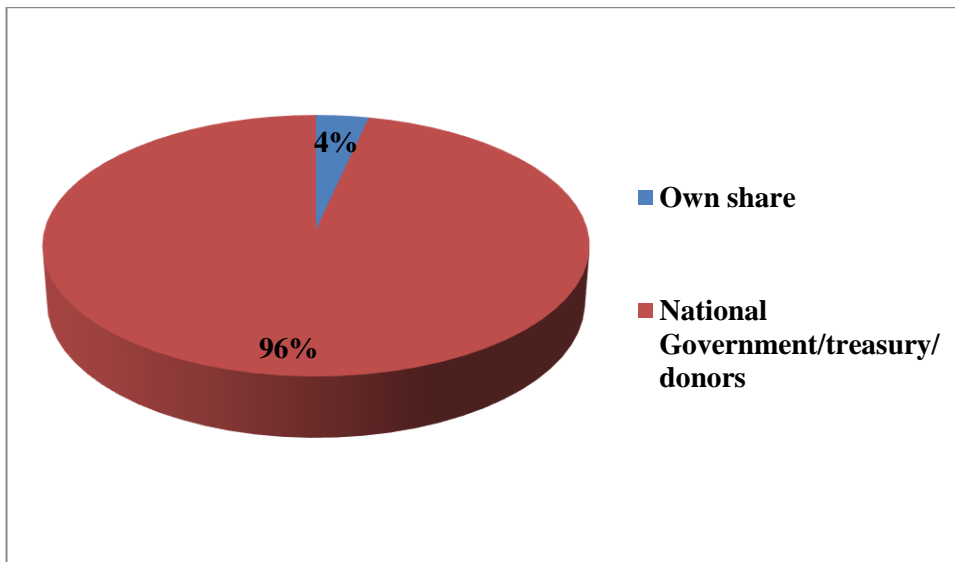
14. In FY 2016/2017 the most performing sources of local revenue were Trailer park which accounted for 38.11% of the total local revenue, Bus Parking fees and Single Business Permit which accounted for 12.27% and 9.94% respectively.

**Table 4: Summary of the Total County Revenue Received (Kshs Millions)**

TOTAL REVENUE	
Own share	255.23
National Government/treasury/ donors	7,011.78
Donors and Grants	-
<b>TOTAL</b>	<b>7,267.01</b>

Source: County Treasury

**Figure 2: Analysis of Total Revenue, Busia County**



### Expenditure Performance

15. The total actual expenditure for Busia County in FY 2016/17 was Kshs. 6.625 billion representing an absorption rate of 87.80% of the total Budget. This was an increase from an absorption rate of 78.6% attained in FY 2015/16.

16. Recurrent expenditure for FY 2016/2017 was Kshs. 4.28 billion, representing 95.65% of the annual recurrent budget. This was an increase from 80.65% reported in FY 2015//16.

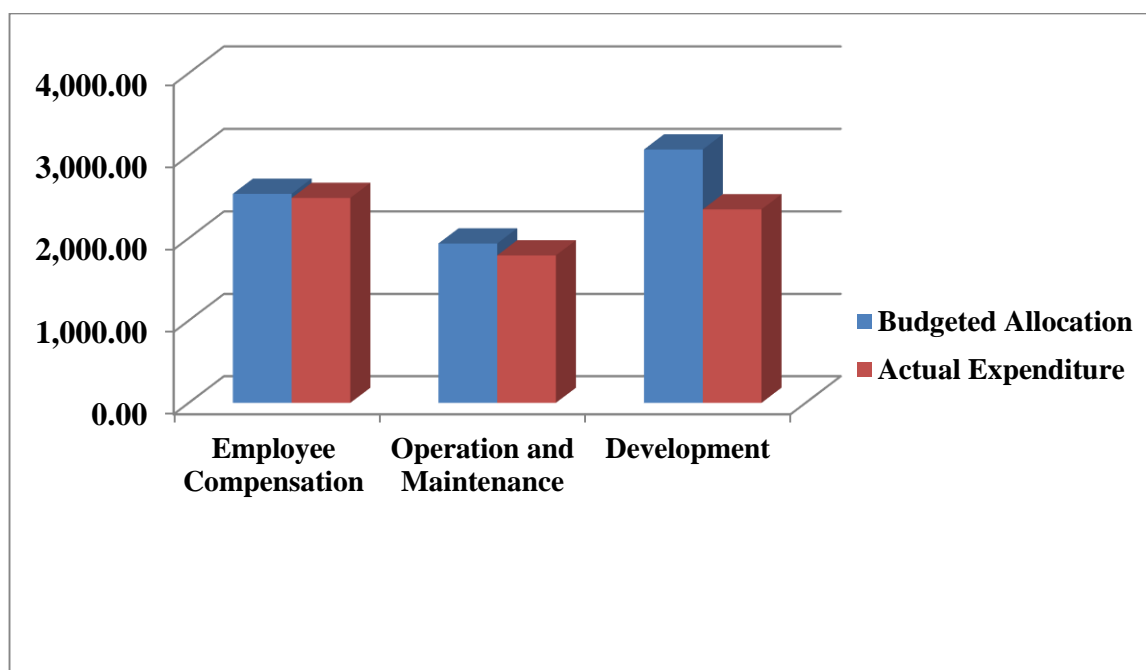
17. Actual Development expenditure amounted to Kshs. 2.35 billion, representing an absorption rate of 76.39% of the annual development budget, an increase from 66.77% attained in FY 2015/16 where total actual development expenditure was Kshs. 2.406 Billion against annual development budget of Ksh. 3.603 Billion. The analysis of expenditure by economic classification in FY 2016/17 is provided in Table below.



**Table 5: Summary of the Total County Expenditure (Ksh. Millions)**

	Expenditure				
	Budget Allocation	Executive	Assembly	Total	Percentage absorption
Employee Compensation	2,536.61	2,085.64	400.66	2,486.30	98.02 %
Operation and Maintenance	1,934.71	1,521.28	269.32	1,790.60	92.55 %
Development	3,074.31	2,324.68	23.72	2,348.40	76.38 %
<b>Total Expenditure</b>	<b>7,545.63</b>	<b>5,931.59</b>	<b>693.69</b>	<b>6,625.3</b>	<b>87.8 %</b>

**Graph 2: Analysis of Total Expenditure (Kshs. Millions)**



### Departmental Expenditure Summary

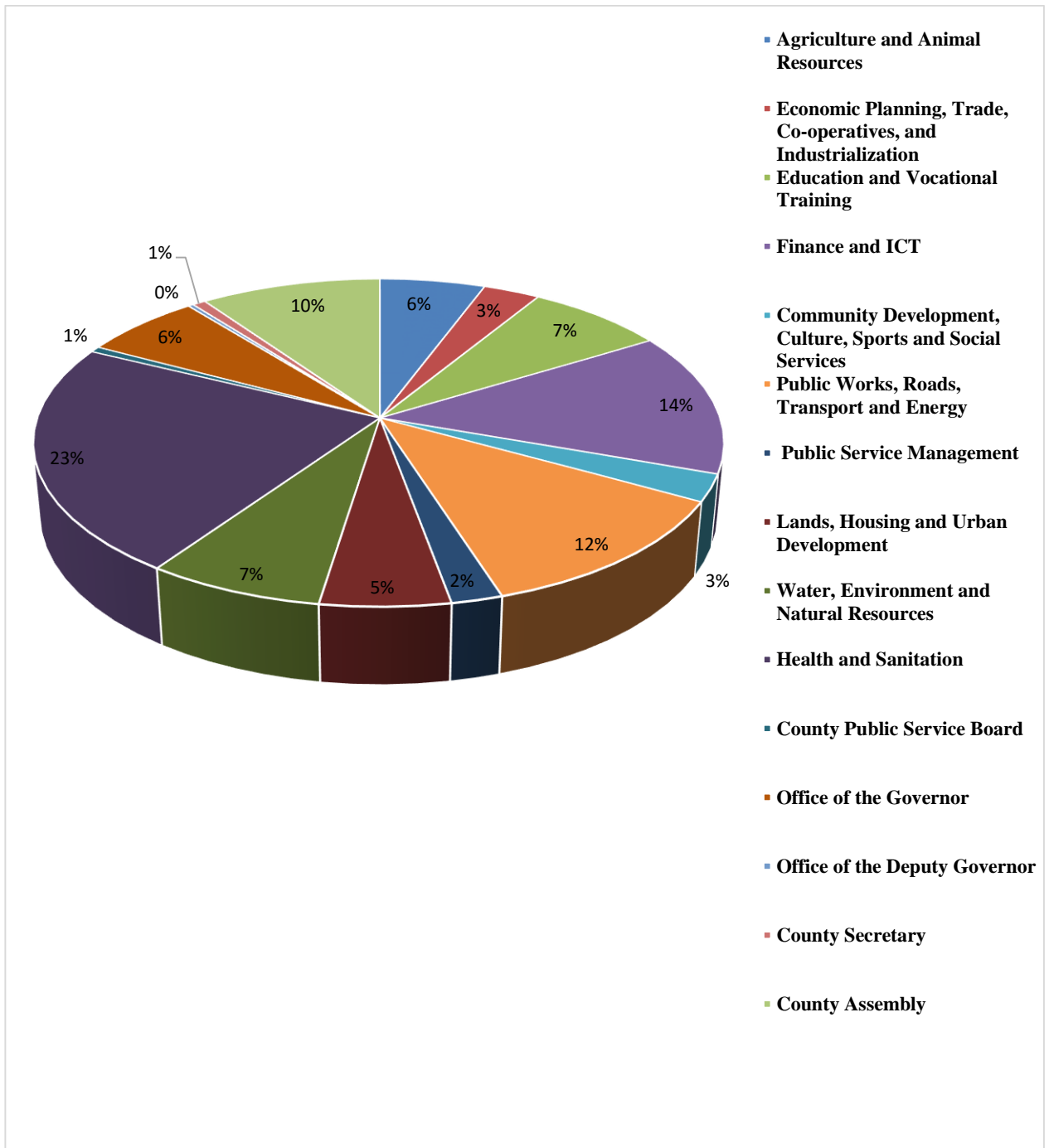
18. The following tables show a summary of departmental allocations and expenditures for the year under review.

**Table 6: Departmental Budget Allocation for the period ending 30<sup>th</sup> June 2017**  
(Million)

<b>DEPARTMENT</b>	<b>Total Budget Allocation</b>	<b>Employee Compensation</b>	<b>O&amp;M</b>	<b>Development</b>
Agriculture and Animal Resources	427.72	179.07	30.34	218.31
Economic Planning, Trade, Co-operatives, and Industrialization	230.32	36.47	27.87	165.98
Education and Vocational Training	569.75	129.58	219.03	221.14
Finance and ICT	1,066.89	354.01	646.29	66.59
Community Development, Culture, Sports and Social Services	201.26	23.27	58.47	119.51
Public Works, Roads, Transport and Energy	904.06	36.53	33.53	834.00
Public Service Management	157.47	133.05	24.42	-
Lands, Housing and Urban Development	398.33	48.88	51.79	297.65
Water, Environment and Natural Resources	544.59	38.18	27.09	479.32
Health and Sanitation	1,708.39	957.58	397.48	353.33
County Public Service Board	42.73	19.92	22.81	-
Office of the Governor	484.46	115.45	151.36	217.64
Office of the Deputy Governor	21.59	-	21.59	-
County Secretary	53.52	26.55	26.97	-
County Assembly	734.57	438.06	195.66	100.84
<b>Total</b>	<b>7,545.63</b>	<b>2,536.61</b>	<b>1,934.71</b>	<b>3,074.32</b>

*Source: County Departments and County Assembly*

**Figure 3: Analysis of Approved Budget Allocation by Departments**



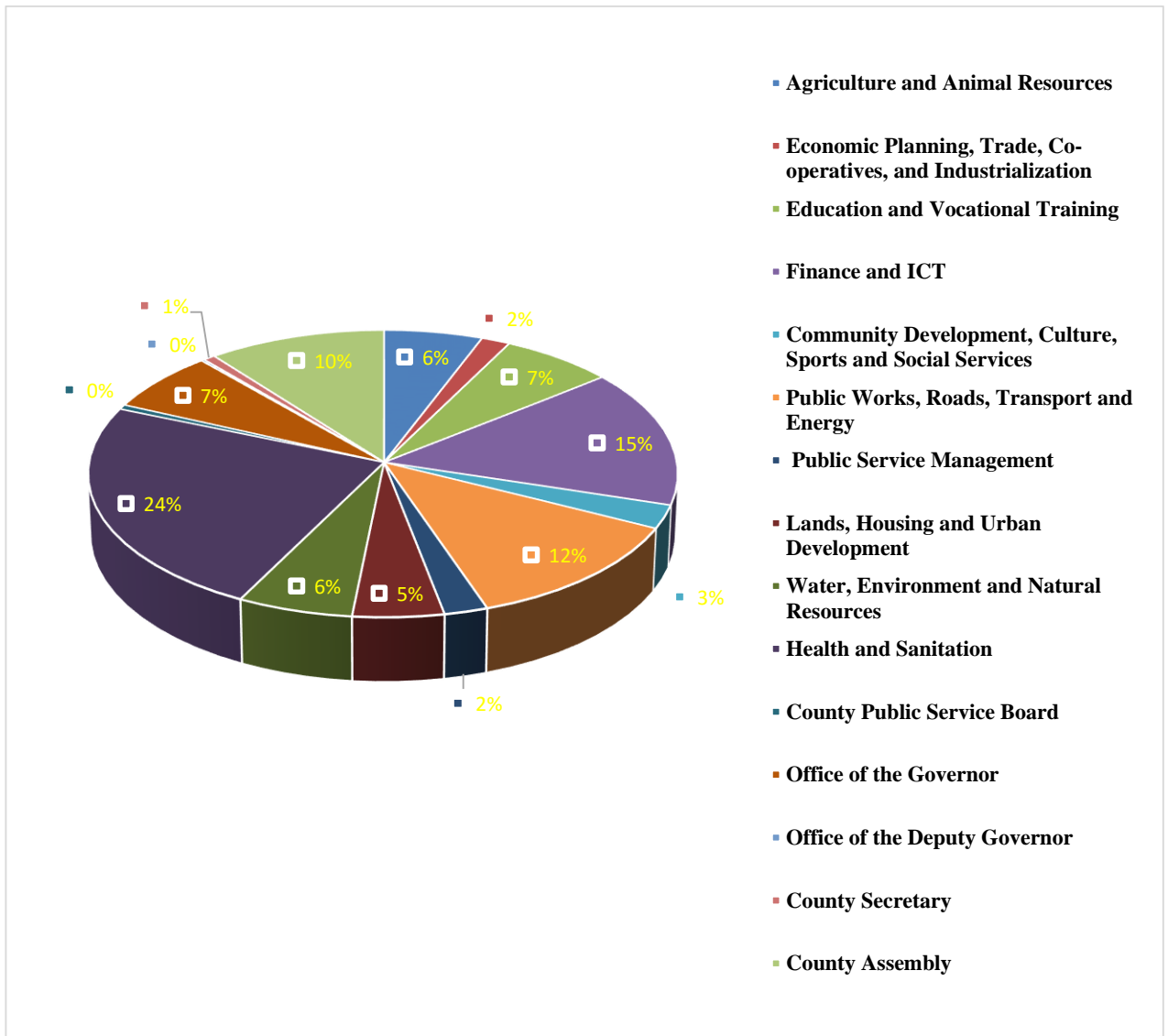
**19.** The total county allocation was Ksh. 7.546B out of which Ksh. 3.074B was development allocation, Ksh. 1.935B was operation and maintenance allocation and Ksh. 2.537B was Personnel Emolument. The department of Health and Sanitation had the highest allocation at 23% most of which covered the employee compensation. This was followed by the Finance & ICT and Public Works, Roads, Transport & Energy at 14 % and 12% respectively.

**Table 6: Summary of Actual Expenditure by Economic Classification (Ksh Million)**

Department	Employee Compensation	O&M	Total Recurrent	Percentage Share of Total Recurrent	Development.	Percentage Share of Total Development.	Actual Expenditure
Agriculture and Animal Resources	179	14.47	193.47	5%	193.3	8%	386.77
Economic Planning, Trade, Co-operatives, and Industrialization	35.03	20.46	55.49	1%	56.66	2%	112.15
Education and Vocational Training	127.29	199.89	327.18	8%	118.98	5%	446.16
Finance and ICT	353.18	610.09	963.27	23%	64.82	3%	1,028.09
Community Development, Culture, Sports and Social Services	23.27	43.82	67.09	2%	106.23	5%	173.33
Public Works, Roads, Transport and Energy	35.45	14.29	49.73	1%	769.42	33%	819.16
Public Service Management	131.05	15.59	146.64	3%	0	0%	146.64
Lands, Housing and Urban Development	48.88	37.62	86.51	2%	220.36	9%	306.86
Water, Environment and Natural Resources	38.09	23.98	62.08	1%	326.85	14%	388.92
Health and Sanitation	956.31	355.68	1,311.99	31%	265.14	11%	1,577.13
County Public Service Board	19.08	16.23	35.3	1%	0	0%	35.3
Office of the Governor	114.06	134.35	248.42	6%	202.91	9%	451.32
Office of the Deputy Governor	0	12.4	12.4	0%	0	0%	12.4
County Secretary	24.94	22.41	47.35	1%	0	0%	47.35
County Assembly	400.7	269.3	670	16%	23.7	1%	693.7
<b>Total</b>	<b>2,486.33</b>	<b>1,790.58</b>	<b>4,276.92</b>	<b>100.00%</b>	<b>2,348.37</b>	<b>100.00%</b>	<b>6,625.28</b>

*Source: County Departments and County Assembly*

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



**20.** The total expenditure for county was Ksh 6.625 Billion against the approved budget of Ksh 7.545 Billion. This comprised of executive expenditure of Ksh 5.932 Billion and county assembly expenditure of Ksh 693.7 Million. Total recurrent expenditure was Ksh. 4.277 Billion against an approved budget of Ksh. 4.471 Billion while the development expenditure was Ksh. 2.348 Billion against an approved budget of Ksh. 3.074 Billion. The ratio of the actual expenditure to budgeted cost was 88%.

**21.** The Department of Health & Sanitation, Finance & ICT, Public Works Roads, Transport & Energy and County Assembly accounted for the highest expenditure at 24%, 15%, 12% and 10% of the total County expenditure respectively.

**22.** On development budget the department of Public works, Roads Transport and Energy accounted for the largest expenditure at 33% followed by Water, Environment and Natural Resources at 14%. Health and sanitation comprised 11% of the development expenditure.

23. On recurrent budget, the department of Health and Sanitation accounted for the largest expenditure of the total recurrent expenditure at 31% followed by Finance & ICT at 21%. The County Assembly accounted 16% of the recurrent expenditure.

**Table 7: Analysis of Personnel Emolument Expenditure by all Departments**

Codes	Departmental Vote Title	FY 2016/2017			
		Budgetary Allocation (Kshs. Millions)	Actual Expenditure (Kshs. Millions)	Variation	Absorption %
001	Agriculture and Animal Resources	179.07	179.00	0.07	99.96%
002	Economic Planning, Trade, Co-operatives, and Industrialization	36.47	35.03	1.43	96.06%
003	Education and Vocational Training	129.58	127.29	2.29	98.23%
004	Finance and ICT	354.01	353.18	0.08	99.77%
005	Community Development, Culture, Sports and Social Services	23.27	23.27	0	100%
006	Public Works, Roads, Transport and Energy	36.53	35.45	1.08	97.04%
007	Public Service Management	133.05	131.05	2	98.5%
008	Lands, Housing and Urban Development	48.88	48.88	0	100%
009	Water, Environment and Natural Resources	38.18	38.09	0.09	99.76%
010	Health and Sanitation	957.58	956.31	1.26	99.87%
011	County Public Service Board	19.92	19.08	0.08	95.78%
012	Office of the Governor	115.45	114.06	1.4	98.8%
013	Office of the Deputy Governor	0	0	0	0
014	County Secretary	26.55	24.94	1.61	93.94%
015	County Assembly	438.1	400.7	37.4	91.46%
	<b>TOTAL</b>	<b>2536.6</b>	<b>2486.3</b>	<b>48.79</b>	<b>98%</b>

*Source: County Departments and County Assembly*

**Table 8: Analysis of Operation and Maintenance Expenditure by all Departments**

Codes	Departmental Vote Title	FY 2016/2017			
		Budgetary Allocation (Kshs. Mil)	Actual Expenditure (Kshs. Mil)	Variation (Kshs. Mil)	Absorption %
001	Agriculture and Animal Resources	30.34	14.47	15.88	47.68%
002	Economic Planning, Trade, Co-operatives, and Industrialization	27.87	20.46	7.41	73.41%
003	Education and Vocational Training	219.03	199.89	19.14	91.26%
004	Finance and ICT	646.29	610.09	36.2	94.4%
005	Community Development, Culture, Sports and Social Services	58.47	43.82	14.65	74.94%
006	Public Works, Roads, Transport and Energy	33.53	14.29	19.24	42.61%
007	Public Service Management	24.42	15.59	8.83	63.83%
008	Lands, Housing and Urban Development	51.79	37.62	14.17	72.64%
009	Water, Environment and Natural Resources	27.08	23.98	3.1	88.54%
010	Health and Sanitation	397.48	355.68	41.8	89.48%
011	County Public Service Board	22.81	16.23	6.59	71.13%
012	Office of the Governor	151.36	134.35	17	88.76%
013	Office of the Deputy Governor	21.59	12.41	9.18	57.48%
014	County Secretary	26.97	22.41	4.55	83.11%
015	County Assembly	195.7	269.3	-73.6	137.6%
015	<b>Total Voted Expenditure (Kshs.)</b>	<b>1934.7</b>	<b>1790.60</b>	<b>144.14</b>	<b>92.55%</b>

Source: County Departments and County Assembly

24. The County Assembly exceeded the expected expenditure by 37.6%

**Table 9: Analysis of Development Expenditure by all Departments**

Codes	Departmental Vote Title	FY 2016/2017			
		Budgetary Allocation (Kshs. Mil)	Actual Expenditure (Kshs. Mil)	Variation (Kshs. Mil)	Absorption %
001	Agriculture and Animal Resources	218.31	193.3	25	88.55%
002	Economic Planning, Trade, Co-operatives, and Industry	165.98	56.66	109.32	34.14%
003	Education and Vocational Training	221.14	118.98	102.16	53.8%
004	Finance and ICT	66.59	64.82	1.77	97.34%
005	Community Development, Culture, Sports and Social Services	119.51	106.23	13.28	88.89%
006	Public Works, Roads, Transport and Energy	834.00	769.42	64.58	92.26%
007	Public Service Management	0	0	0	0
008	Lands, Housing and Urban Development	297.65	220.36	77.29	74.03
009	Water, Environment and Natural Resources	479.32	326.85	152.47	68.19%
010	Health and Sanitation	353.33	265.14	88.19	75.04%
011	County Public Service Board	0	0	0	0
012	Office of the Governor	217.64	202.91	14.74	93.23%
013	Office of the Deputy Governor	0	0	0	0
014	County Secretary	0	0	0	0
015	County Assembly	100.8	23.7	77.1	22.9%
	<b>Total Voted Expenditure (in Kshs.)</b>	<b>3074.27</b>	<b>2348.37</b>	<b>725.9</b>	<b>76.38%</b>

*Source: County Departments and County Assembly*

25. The total absorption of development budget was 76.38%. Department of Finance and ICT, Public Works, Roads, Transport & Energy and Office of the Governor utilized over 90% of their budgets. Low performers in this classification were Economic Planning, Trade, Co-operatives & Industrialization and the County Assembly at 56.66% and 23.7% respectively.



## Emerging Challenges

- Shortfall in revenue collection
- Concerns of pending payments related to supply of goods and services at the close of the financial year.
- Strikes by health workers that interrupted the health sector service delivery.

**26.** In a bid to address the above challenges the county rolled out automation of revenues, capacity building of officers on proper planning and fulfilling the health worker's requirement through formulation and adoption of clear strategies.

### III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

#### Recent Economic Developments

- 27.** According to the World Bank, the global economy is estimated to have expanded by 2.9 per cent in 2016 compared to a revised growth of 3.1 per cent in 2015. Growth in advanced economies expanded by 2.1% in 2016 compared to 1.9 per cent in 2015. The global real GDP is projected to grow by 3.3% in 2017 based on the sustained growth in emerging and advanced economies.
- 28.** The recovery is projected to strengthen going forward, driven primarily by emerging market and developing economies, as conditions in stressed economies start gradually to normalize. But uncertainty has increased, and risks of weaker growth scenarios are becoming more tangible. The fragile conjuncture increases the urgency of a broad-based policy response to raise growth and manage vulnerabilities. Global inflation was estimated at 2.9 per cent compared to 2.8 per cent recorded in 2015.
- 29.** In emerging markets and developing economies, headline inflation remained steady as currencies remained broadly stable, or appreciated in some cases. Growth of the global trade slowed in 2016 to 1.9 percent from 2.6 per cent growth in 2015. Global unemployment rate was estimated at 5.7 per cent in 2016 compared to 5.8 per cent in 2015.
- 30.** The Sub-Saharan Africa's real gross domestic product is estimated to have grown by 1.5 per cent in 2016 compared to 3.8 per cent growth registered in 2015.
- 31.** During the year under review, real GDP in the East Africa Community (EAC) is estimated to have grown by 6.1 per cent compared to 5.8 per cent growth in 2015. The growth was fuelled by public infrastructure investment, buoyant private consumption and low oil prices. Tanzania recorded the highest real GDP growth in the region, expanding by 7.2% in 2016 compared to a growth of 7.0% in 2015. In Burundi, real GDP contracted by 0.5% in 2016 compared to a contraction of 4.0% in 2015. The bloc's inflation eased to 5.6% in 2016 from 5.8% in 2015. Currency stability helped to keep inflation within the Central Bank target in Kenya, Uganda and Tanzania.
- 32.** According to the latest Kenya National Bureau of Statistics (KNBS) quarterly report, Kenya's economy expanded by 5.7% in the third quarter of 2016 compared to 5.8% in the same period in 2015. Annual average inflation eased to 6.3 per cent in 2016 compared to an average of 6.6% in 2015. This was mainly due to decline in prices of transportation, housing, utilities and Communication.
- 33.** The Kenya's economy experienced a relatively conducive environment for growth during the first three quarters of 2016. However, the last quarter's growth was undermined by a persistent drought that impacted negatively on the agriculture sector and a slower growth of the electricity supply industry, though to a smaller extent. The country's real Gross

Domestic Product (GDP) is estimated to have maintained growth momentum for the third consecutive year to expand at 5.8 per cent in 2016 compared to a revised growth of 5.7 per cent in 2015. Generally, the growth was well spread and robust in most sectors but subdued in a few.

### **Macro-Economic Environment**

- 34.** Key macroeconomic indicators remained fairly stable in 2016. Annual average inflation eased to 6.3 per cent compared to an average of 6.6 per cent in 2015. With support of the World Bank Group (WBG), the International Monetary Fund (IMF) and other development partners, Kenya has made significant structural and economic reforms that have contributed to sustained economic growth in the past decade. This has been supported by a stable macroeconomic environment, low oil prices, earlier favourable harvest, rebound in tourism, strong remittance inflows, and an ambitious public investment drive.
- 35.** Development challenges in Kenya include poverty, inequality, climate change, and vulnerability of the economy to internal and external shocks.
- 36.** Nonetheless, Kenya is currently facing headwinds that are likely to dampen GDP growth in 2017. However, in the medium term, economic growth is projected to rebound to 5.8% in 2018 and 6.1% in 2019, consistent with Kenya's underlying growth potential.
- 37.** The Key challenges facing the Kenyan economy include:
  - a)** Relatively lower earnings expected from the banking sector following the signing of the Banking Amendment Act 2015, which suppressed earnings especially in the fourth quarter of the year and is expected to cross over to the FY 2017/2018 and consequently stifles the revenue collection by the Kenya Revenue Authority.
  - b)** Diminishing Private Sector Credit Growth further weakened by the signing of the Banking Amendment Act 2015, which slowed for the 15<sup>th</sup> consecutive month in October to close at 4.6 percent the slowest pace since June 2008, a key variable that influenced National Treasury into revising GDP growth forecast for 2016 downwards to 6.0 percent from 6.5 percent, previously.
  - c)** Increased cases of corruption and mismanagement of public funds which continue to persist.
  - d)** The political uncertainty due to forth coming repeat presidential elections scheduled to be held in October 2017, have also brought about some measure of uncertainty in the market and concerns if the economy will witness significant withdrawal of funds.

- 38.** According to World Bank, going forward, prudent macroeconomic policies will help safeguard Kenya's robust economic performance, in particular fiscal consolidation consistent with the Medium Term Fiscal Framework. Fiscal consolidation needs to be implemented in such a way so as not to compromise the development spending needed to unlock the country's productive capacity. This will require adjustments on recurrent spending and improvements on domestic resource mobilization.
- 39.** During the period under review, Busia County experienced improved fiscal performance. This improvement was compelled by investments in Agriculture, Health, Education and infrastructure.
- 40.** The county observed strict fiscal discipline with major emphasis placed on development programmes aimed at improving the livelihoods of the residents. Trading activities improved significantly due to enactment of favourable business policies; additionally there was increased budgetary allocation to devolved functions especially agriculture and health.
- 41.** The county government is committed to capitalizing on approaches that generate supporting business environment for private sector contribution to the county's economic growth; investing in improvement of physical infrastructure in health, Agriculture education and public works.
- 42.** However; during the period under review, the county did experience a number of challenges. These include; unpredictable weather conditions and attack by fall army worm affecting agricultural production, delayed disbursement of funds thus affecting development programmes. Nevertheless, the county government remained focused on implementation of policies and programmes as contained in the CIDP.
- 43.** The county government will continue to invest in strategies that seek to create enabling environment for business and private sector participation in County Economic growth and development; Development of County physical and social infrastructure facilities including feeder roads, water and ICT to stimulate growth; Promotion of health services through investing in quality and affordable health services; Promotion of value addition for agricultural produce, food security and environmental conservation; Promotion of equitable social economic development for county stability; Enhancing governance, transparency and accountability in the delivery of public goods and service by promoting participation of the people in governance as envisaged in the Constitution of Kenya 2010.

## Analysis of Expenditure by Departments

44. This section presents an analysis of the two arms of county government based on the actual expenditure for the financial year 2016/2017 in comparison to the approved budget.

### County Executive Service

45. The Executive authority of the county is vested in, and is exercised by the County Executive committee. Article 183 of the constitution provides the functions of the County Executive Committee which includes: implementing national and county legislation as well as managing the functions of the county administration and its departments. Further, Sub-article 3 requires the County Executive to provide comprehensive reports on a regular basis to the county assembly on matters relating to the County.
46. In the FY 2016/2017, County Executive allocation increased from Ksh. 6.44 Billion in the FY 2015/2016 to Kshs.6.81 Billion representing 90.3% of the total budget for the year. The actual expenditure for the period July 2016 to June 2017 amounted to Ksh. 5.93 Billion representing an absorption rate of 78.61%.

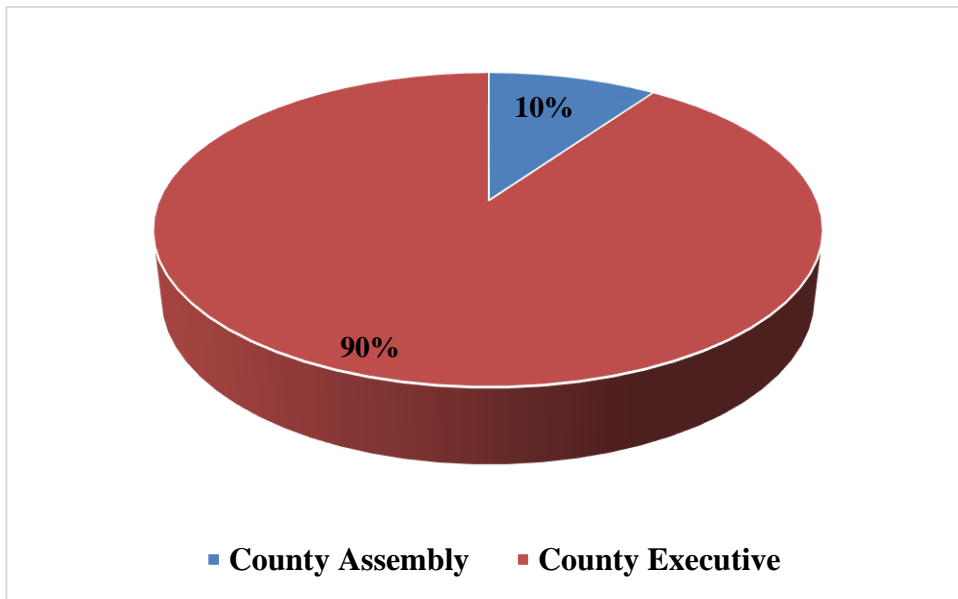
### County Assembly

47. The legislative authority of the county is vested in, and exercised by the County Assembly. The roles of the county assembly have been highlighted in Section 8 of the County Government Act 2012, which includes among others; approval of the county budgets in accordance with Article 207 of the constitution, approval of borrowing by the County Government in accordance with Article 212 of the Constitution, approval of county development plans and to perform their legislative and oversight roles as set out under Article 185 of the Constitution.
48. The County Government budget allocation increased from Ksh.7.3 Billion in FY 2015/2016 to Ksh. 7.5 Billion in the FY 2016/2017, out of which the County assembly was allocated Ksh. 734.57Million or 9.8% of the total budget. During the period under review, the County assembly spent Ksh. 693.7M representing absorption rate of 94.4%.

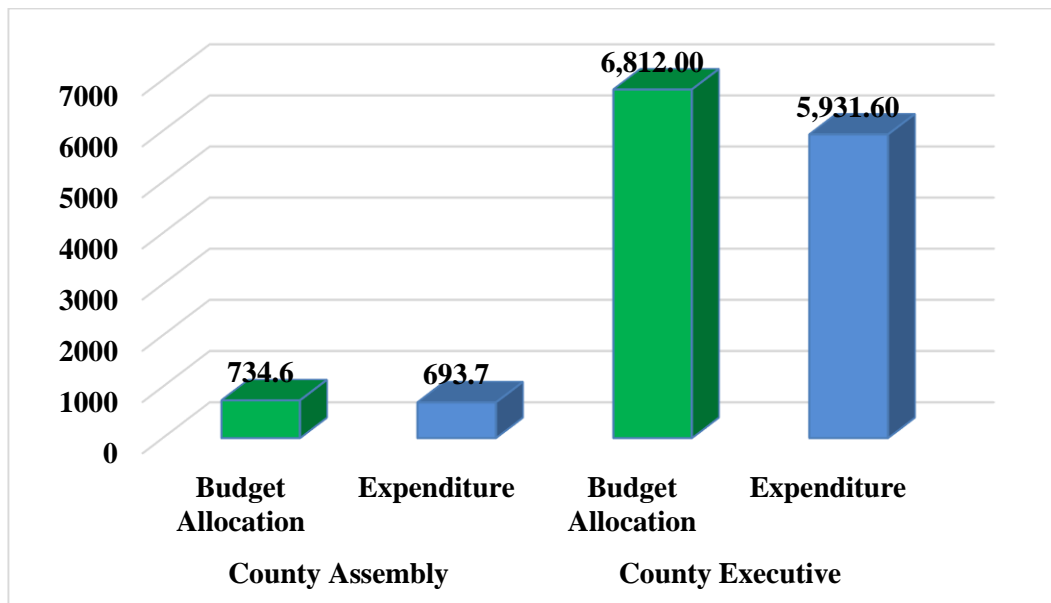
**Table 10: Analysis of the county budget and expenditure under the two arms of the County Government**

Budget Allocation (Mil)			Actual Expenditure (Mil)	
Total	County Assembly	County Executive	County Assembly	County Executive
7,545.6	734.6	6,811.0	693.7	5,931.6
	10%	90. %	94.43%	87.08%

**Figure 4: Allocations for the two arms of government**



**Figure 5: Percentage Absorption against Allocation for the two arms of government**



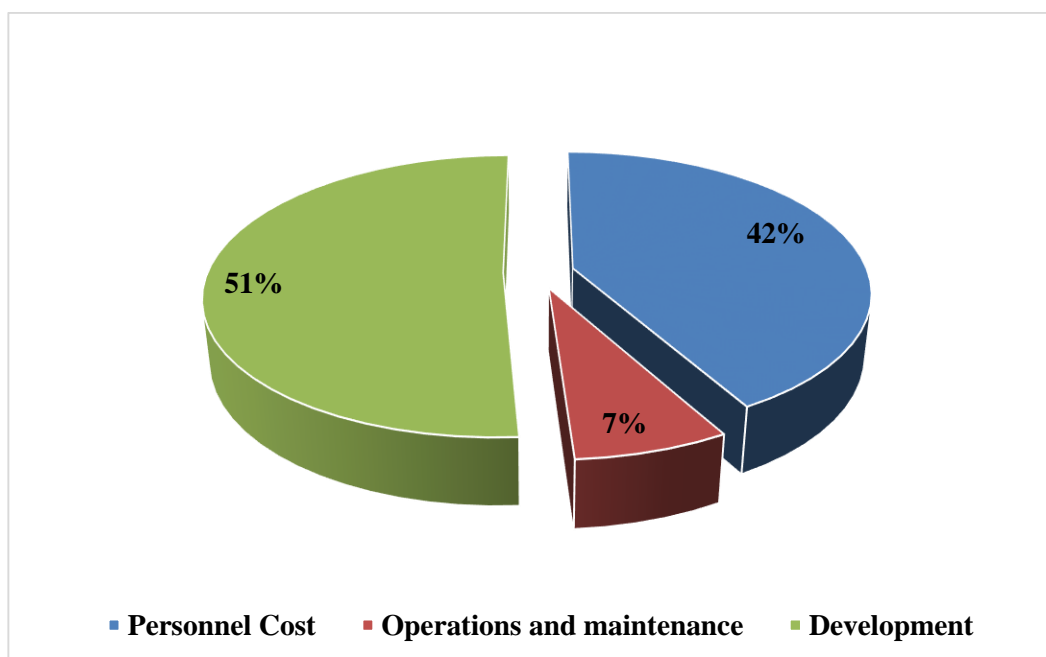
## **IV. ANALYSIS OF EXPENDITURE PER DEPARTMENT**

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

- 49.** The department is committed to enhance sufficient food production for sustained livelihoods through promotion of competitive agriculture and provision of support services while ensuring a sustainable natural resource base. Agriculture sector is the main accelerator for the County's economic growth and attainment of the county's economic growth as prioritized under the County Integrated Development Plan (CIDP).
- 50.** The department consists of four directorates namely; Agriculture, Livestock Production, Veterinary and Fisheries.
- 51.** Agriculture directorate is charged with the responsibility of spearheading agricultural commodity value chain development in the County.
- 52.** The Department's strategic focus for 2016/17 was to enhance agricultural production and productivity by completing the existing projects, promote dairy and poultry farming and control of livestock diseases. To alleviate poverty, the department developed mechanisms to support resource poor households through inputs access project, which had a component of inputs provision as a start-up fund for the beneficiaries.
- 53.** In the financial year 2016/2017; 2,830 farmers benefitted from a complete package of maize seeds and fertilizers, 185 farmers benefitted from tissue culture bananas and 235 farmers benefitted from macadamia seedlings, dairy animals (cows and goats) were distributed to farmers across the county.
- 54.** The department distributed animal feeds and supplied construction materials to all wards for local poultry promotion project. The availability of 23 tractors for ploughing services enhanced land under cultivation hence increased crop production.
- 55.** The Cassava processing factory in Simba Chai is 75% complete and equipment are set to be installed before the end of this year.
- 56.** The department has been committed to aquaculture development which involves continued construction of fish ponds in various farmers groups in the county. In addition, the department focused on capacity building to farmers through trainings provided by agricultural training centre so as to improve on agricultural production.
- 57.** Despite the improvement in service delivery, the department has continued to experience myriad challenges. The weather pattern was not favorable for the long rains, attack by fall army worms among other diseases. This affected the crop production leading to a reduction of 30% of the expected yields.
- 58.** A total of Ksh. 427,715,419 was allocated to the department. This represented 6% of the total budget. The budget for the department was divided as follows;

**Table 11: Allocation Analysis by Economic Classification**

SNO	DESCRIPTION	AMOUNT (Mil)	PERCENTAGE
1	Personnel Cost	179.1	42%
2	Operations and maintenance	30.3	7%
3	Development	218.3	51%
	<b>Total</b>	<b>427.7</b>	<b>100%</b>

**Figure 6: Agriculture analysis of the Budget**

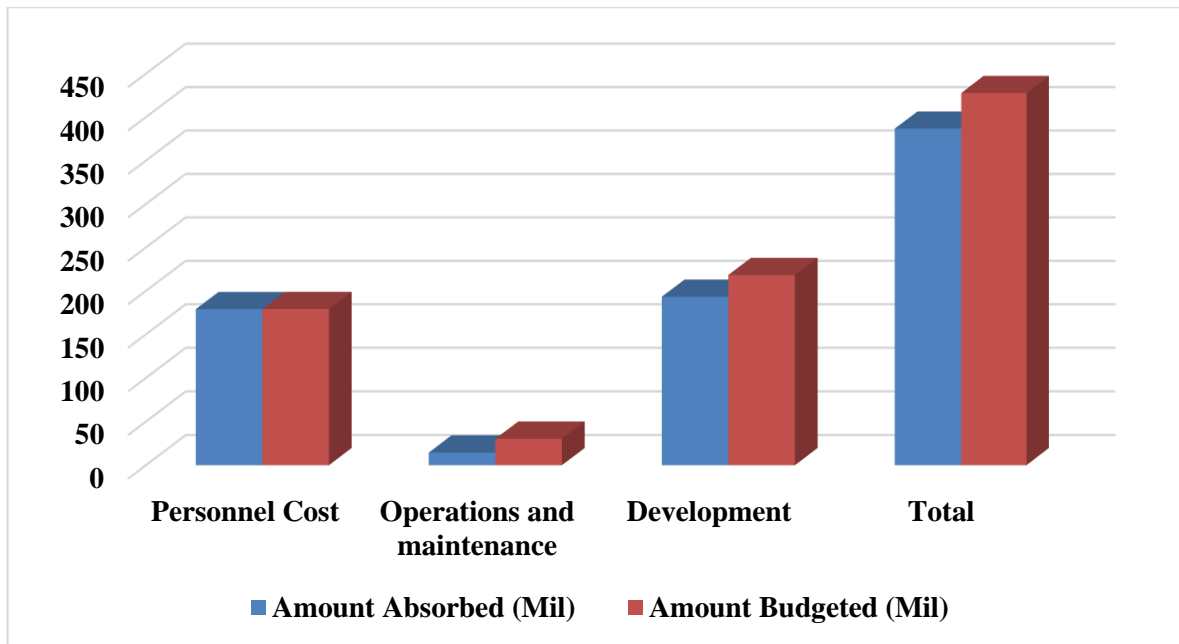
59. The Department set aside 51% of their total allocation towards development while 42% went towards Personnel cost (Compensation to employees). Operations and maintenance got an allocation of 7 %.

**Table 12: The economic classification absorption level of the budget for the department was as follows**

SNO	Description	Amount Absorbed (Mil)	Amount Budgeted (Mil)	Percentage Against Allocation
1	Personnel Cost	179.0.	179.1	100%
2	Operations and maintenance	14.5	30.3	48%
3	Development	193.3	218.3	89%
	<b>Total</b>	<b>386.8</b>	<b>427.7</b>	<b>90%</b>



**Graph 3: Agriculture absorption analysis**



60. The total absorption was Ksh. 386.8 M representing 90% of the total departmental allocation. The Personnel cost was 100% expended. Development vote absorption was Ksh 193.3M or 79 % of the development budget.

## 2. Department of Economic Planning, Trade, Cooperatives and Industry

61. The department of economic planning, trade, cooperatives and industry is a key department in the county government of Busia whose mandate is wide and covers matters of trade development, cooperative development, weight and measures and economic planning. It is committed to its mandate of promoting trade and investments through creating an enabling environment that promotes and encourages investment while exploiting the cooperative movement.

62. The overall objective of the directorate is to promote self-reliance amongst the citizens of Busia County, enhancement of Business, job and wealth creation through diversification, innovation, value addition, information sharing, market linkages and trade infrastructure support.

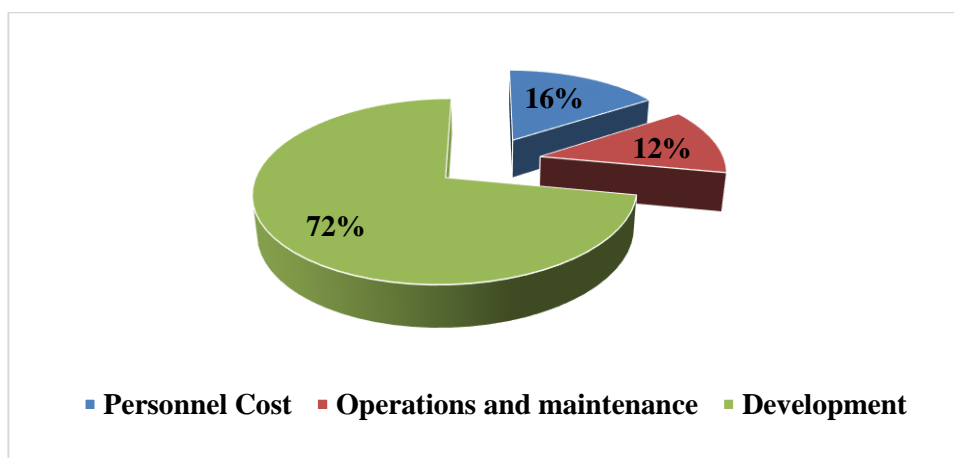
63. Through the directorate of trade, the department oversees and promotes cross-border trade through cross-border committees in order to ensure seamless movement of goods and services across the international border and across inter -county borders. The directorate provides traders with requisite trade information to facilitate business networks. Fresh produce markets have been established in all the sub counties to enhance hygienic trade in perishable goods among the citizens.

- 64.** The directorate has developed the Busia county trade development revolving fund Bill which has been enacted into law to promote development of small and micro enterprises and to set up an institutional framework for coordinating loan disbursements and is set to be rolled out in the Next financial year. It has also developed and enacted into law the Busia County trade development bill that provides a mechanism for the imposition of certain taxes, charges, fees and for the grant of trade and related licenses to provide for promotion, development and regulation of trade in the county.
- 65.** The directorate of Weights and Measures ensures fair trade practices by Calibration of weighing scales and fuel pumps at all outlets and elimination of counterfeit goods within the county. Lack of facilitation for biannual verification of standards and lack of facilitation for officers on legal metrology training are some of the challenges facing this directorate.
- 66.** The directorate of cooperative development spearheads the revamping of cooperatives and registration of new ones. It also enhances cooperative movement and adds value to local produce for higher returns. Under this directorate the cooperative enterprise development fund was established to provide affordable credit and capacity build the cooperatives to effectively discharge their mandate. The fund grants low interest loans to cooperative societies with a view to scaling up their activities; however demand for loans exceed funds allocated.
- 67.** Planning directorate plays a key role in preparation of key statutory documents including annual development plan (ADP), draft M&E policy and offering technical assistance to budget committee in development of CFSP, CBROP and in the process of budget preparation.
- 68.** Fiscal performance in the year under review was mixed. Certain projects, although programmed were never implemented due to factors beyond the departments control. Budgetary constraints and procurement bottlenecks. Through ward development projects various developments were undertaken e.g. construction of market sheds, bodaboda sheds, market fencing and construction of market pit latrines.
- 69.** Through the cooperative enterprise development fund more cooperative societies benefited from low interest loans and thus creating self-employment and businesses.
- 70.** The department was allocated Ksh 230.3 M. This constituted 3 % of the total budget. The budget for the department was divided as follows.

**Table 13: Economic Planning, Trade, Co-operatives and Industry allocation analysis by economic classification**

SNO	DESCRIPTION	AMOUNT (Mil)	PERCENTAGE
1	Personnel Cost	36.5	16%
2	Operations and maintenance	27.9	12%
3	Development	165.9	72%
	<b>Total</b>	<b>230.3</b>	<b>100%</b>

**Figure 7: Economic Planning, Trade, Co-operatives and Industry allocation.**

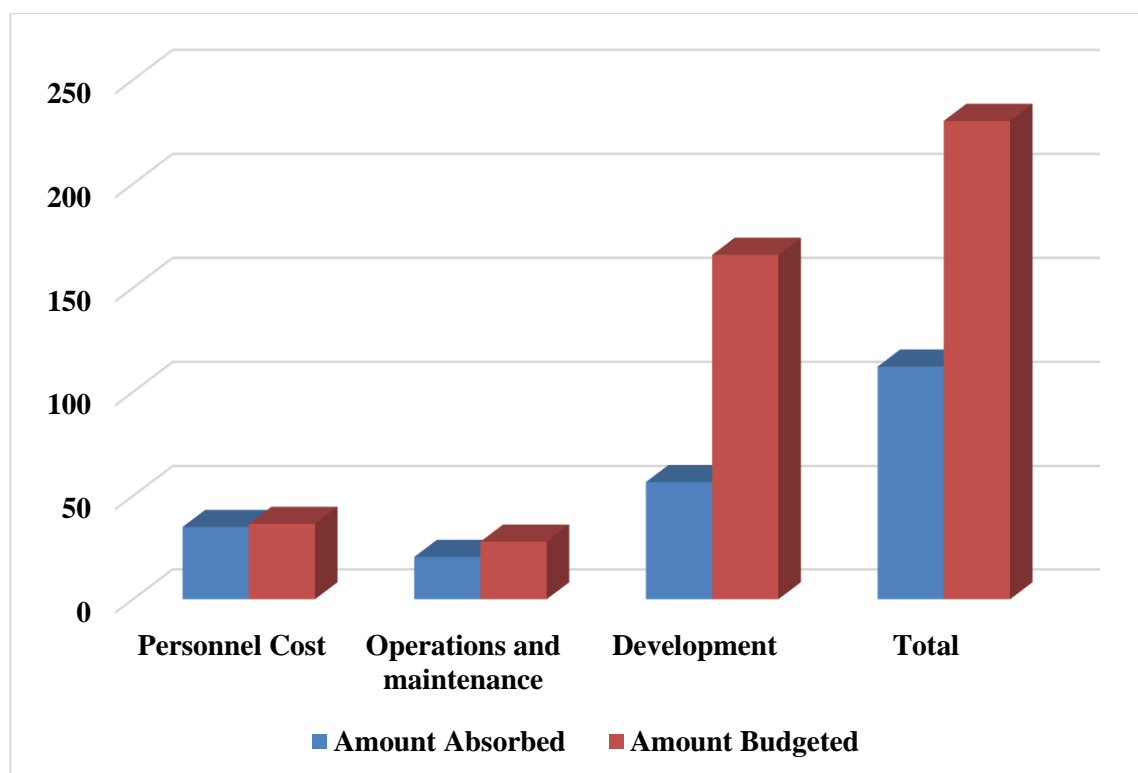


71. Development cost was the highest with an allocation of 72%. Personnel cost (Compensation to employees) had an allocation of 16% as the second ranked beneficiary. Operations and maintenance got the least allocation of 12%.

**Table 14: Economic Planning, Trade, Co-operatives, and Industry absorption level in Ksh Millions**

No	Description	Amount Absorbed	Amount Budgeted	Percentage Against Allocation
1	Personnel Cost	35.0	36.5	96%
2	Operations and maintenance	20.5	27.9	73%
3	Development	56.7	165.9	34%
	<b>Total</b>	<b>112.2</b>	<b>230.3</b>	<b>49%</b>

**Graph 4: Trade, Co-operatives, and Industry Absorption analysis**



72. The total absorption was Ksh. 112.2 M representing 49% of the total departmental budget. Development vote absorption was the lowest at 34%. The department utilized the Personnel Emoluments at 96%.

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

73. The department comprises of two Sections; Early Childhood Education and Vocational Training.

74. The department aims at achieving a globally competitive, education training, research and innovation for sustainable development. It is committed to provide, promote and coordinate quality education and training, integration of science, technology and innovation in sustainable socio-economic development process.

75. The Directorate of Early Childhood Development Education is mandated to undertake the following tasks; Supervision of ECDE curriculum implementation, Assessing growth, monitoring and development in ECDE children, Collection of data for purposes of equitable distribution of resources, Capacity building for ECDE teachers, Bettering the physical environment of the ECDE children through construction of classes and provision of outdoor play equipment.

76. The Directorate of Vocational Training is mandated to undertake; Management of Vocational Training Centres by implementation of policies, development of policy guidelines, rules and regulations, Implement programmes supported by various

development partners, Supervision and Administration of management of Vocational Training Centres Staff, Quality and standards, Implement Quality Assurance and Standards (QAS) recommendations to Improve Service delivery, Promote ICT integration and Youth Innovations, Management of Instructors and development of the human resource in the Vocational Centres.

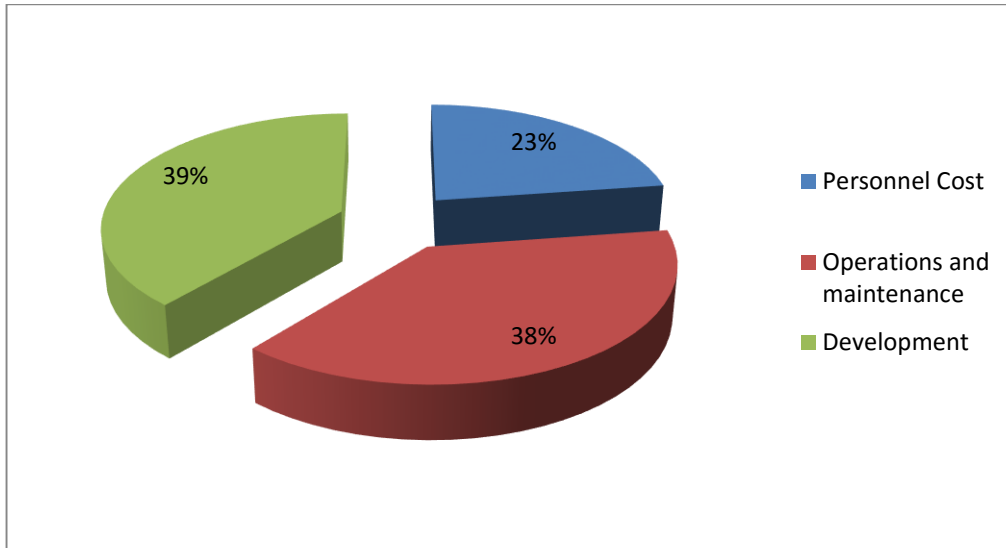
- 77.** Under Early Childhood Development, the department focused on enhancing access, equity and quality services to children in the Early Childhood Development Centres.
- 78.** Under Vocational Training, the department embraced the fact that, technological development in the County is an important pillar not only on Industrial development as envisaged in the Vision 2030, but also as an important catalyst in human development. High innovative technology will not only spur the economy, but will also make the County have a competitive edge over its neighbours. It is in this regard that the department worked towards equipping the Vocational Training Centres with relevant tools and equipment and employing qualified instructors who are imparting required skills to the youth.
- 79.** To improve on retention and completion rate in secondary institutions the department provided bursary to bright and needy students. This ensured that students in need of financial assistance are reached, to support increased and equitable access to education by all which is a fundamental right.
- 80.** The department continued to improve the infrastructure of ECDE centres by initiating construction of additional 78 ECDE classrooms in addition to the 210 initiated in the previous years. The strategy is to improve the ECDE learning environment by ensuring that all the 439 Public ECDE centres have modern classrooms and are fully equipped.
- 81.** In addition to the infrastructure, 439 ECDE teachers were recruited and deployed to all the public ECDE centres across the County.
- 82.** The department also continued to improve infrastructure in Vocational Training Centres by refurbishing existing and constructing new Vocational Training Centres in addition to equipping them with modern equipment which is geared towards improving Skills in the labour Market.
- 83.** The department did partner with Africa Centre for Women in Information Communication Technology (ACWICT) to train and equip Youth in Busia County with relevant Technical /Vocational skills, Entrepreneurship, Live skills and ICT skills. 279 were sponsored and will be issued with Startup Kits upon graduating. This provides school – to - work transition and boost human capital within the county.

- 84.** Under the education support programme the department supported needy students in Vocational Centres, Secondary schools, Middle level Colleges and Universities through the education Bursary. A total of 17,048 students were supported in the last Financial Year with disbursement of Ksh. 95 M
- 85.** The department will continue to put in place various initiatives to achieve the Sector’s Vision and Mission of establishing child friendly ECDE centres in all public schools across the County, equipping and strengthening the existing and upcoming Vocational Training Centres in addition to providing support that complements the National Governments initiatives in Primary and Secondary schools by improving infrastructures.
- 86.** The department faced the following challenges; delay in disbursement of funds and weak Monitoring and Evaluation frameworks which delayed implementation of projects.
- 87.** In 2017/2018 the department intends to undertake the following programmes: Under Basic Education Programme the department is determined to complete the ECDE classrooms across the county at a cost of Ksh. 51,000,000 (Fifty-one million shillings only).
- 88.** A policy to allow the county to provide free milk to all children in public ECDE centres is underway. This seeks to ensure that pupils/children from disadvantaged families do not stay hungry while in school. Research by the department showed that provision of milk to pupils/children will help keep the children in class, enhance their wellbeing by improving their nutritional health and education status.
- 89.** To improve on retention and completion rate in post-secondary education, the department has allocated under Education Revolving Scheme Ksh.40, 000,000 for students in middle level colleges and Universities to access loans/bursaries at 4% interest rates. This fund will be managed by the Higher Education Loans Board (HELB) on behalf of the County Government.
- 90.** The department was allocated Kshs. 569.8 M. This constituted 7% of the total budget. The budget for the department was divided as follows

**Table 15: Education and Vocational Training Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	129.6	23%
2	Operations and maintenance	219.0	38%
3	Development	221.1	39%
	<b>Total</b>	<b>569.7</b>	<b>100%</b>

**Figure 8: Education and Vocational Training Allocation analysis**

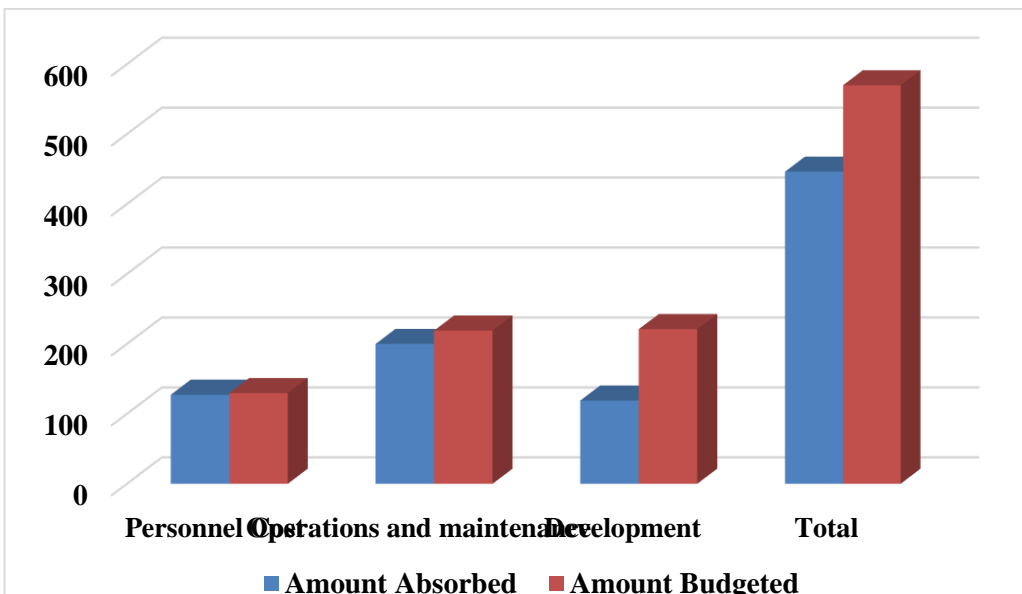


91. Development cost allocation was the highest with an allocation of 39%. Operations and maintenance came second with 38%. Personnel emoluments got the least allocation of 12%.

**Table 16: Education and Vocational Training absorption level in Ksh Million**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	127.3	129.6	98%
2	Operations and maintenance	199.9	219.0	91%
3	Development	119	221.1	54%
	<b>Total</b>	<b>446.2</b>	<b>569.7</b>	<b>78%</b>

**Graph 5: Education and Vocational Training absorption analysis**



#### 4. Finance and ICT

92. The department envisions propelling the county to be a Prosperous County Committed to Prudent Financial Management and Economic Planning by providing high quality financial, economic and advisory services through efficient and effective fiscal planning, resource mobilization, budget administration, coordination, formulation and implementation of policies and programs for accelerated, equitable and sustainable development for the citizens of Busia County.
93. The department is mandated to enforce compliance to PFM Act, 2012 and the guidelines issued in management of public funds. This involves taking action on officers flouting rules and regulations.
94. The department consists of six directorates namely; Budget, Accounting Services, Revenue, Supply Chain Management, Audit and ICT each of which is mandated with vital responsibilities that ensures effective and efficient service delivery by the County Treasury.
95. Budget directorate is mandated to prepare key budget documents which include County Budget Review and Outlook Paper, County Fiscal Strategy Paper, County Annual and Revised Budgets, consolidate and prioritize areas for allocation of public resources and advising the County Treasury on Budget management.
96. The accounting services directorate advises the County government on all accounting matters, on the best appropriate and ad hoc financial reporting formats. It ensures proper banking arrangements between the county government, CBK and commercial banks and provides the link between county and national accounting standards bodies on matters relating to public sector financial reporting management.
97. Supply Chain Management ensures that the county procurement system complies with the Public Procurement and Disposal Act 2005 and Public Procurement and Disposal Regulation 2016. It prepares the county annual procurement plan and strictly aligns the county procurement to the plan. It also develops procurement manual and policies for use by the county.
98. The internal audit evaluates and improves the effectiveness of governance, risk management and internal control processes while the ICT directorate promotes and ensures availability and maintenance of ICT equipment, facilitates internet connectivity within the County. The directorate saw establishment of the County Government of Busia website whereby vital information is disseminated to the public and other stakeholders. Key Budget and other County documents are availed to the public through the county website.
99. The information Centre and Supply at Bukhalalire is complete and fully equipped. The project will promote stakeholder engagement and public outreach programmes to mobilize resources. During the fiscal year, the department initiated installation of structured network



at Funyula, Nambale and Teso North Sub Counties. However ICT utilization need to be widened upgraded and developed to streamline transactions and operations of the County Treasury.

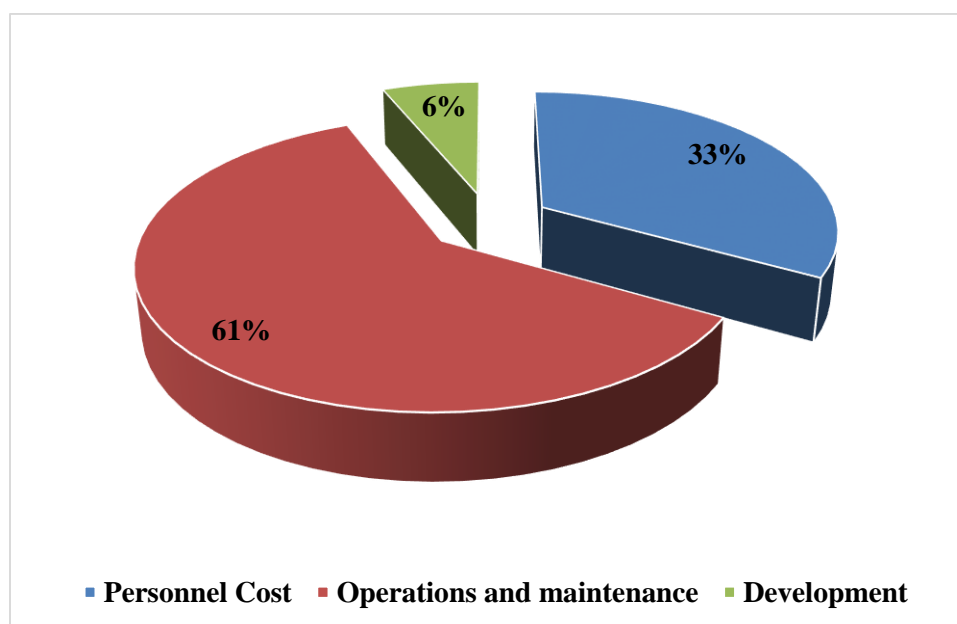
**100.** Revenue directorate is responsible for the County's revenue generation and resource mobilization. The directorate automated revenue collection points at Nambale, Matayos and Teso North and it looks forward to further automate the major revenue sources across the County. Despite the efforts to automate revenue collection, the actual revenue collected fell below the target due to relaxation in enforcement of existing legislation on applicable tax, fees and charges.

**101.** The department was allocated a total amount of Ksh 1.067B during the financial year 2016/2017. This constituted 14% of the total budget of the County. This was divided as follows;

**Table 17: Finance and ICT Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	354.0	33%
2	Operations and maintenance	646.3	61%
3	Development	66.6	6%
	<b>Total</b>	<b>1066.9</b>	<b>100%</b>

**Figure 9: Finance and ICT Allocation analysis**

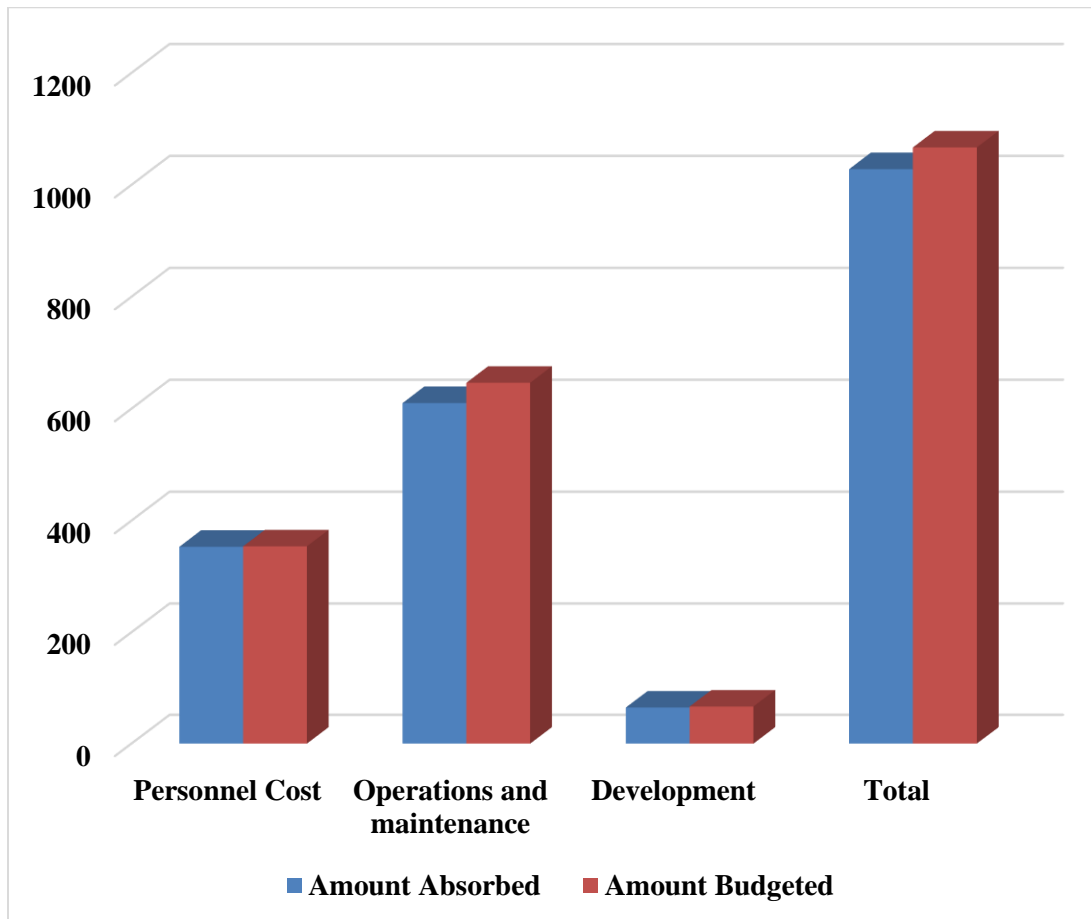


102. The Operations and maintenance cost allocation was the highest at 61.%, (bulk of which went to meet medical insurance for all staff and other insurance services of the county) of the total allocation to the department. Personnel cost (Compensation to employees) allocation was 33% while Development was 6%.

**Table 18: Finance and ICT economic absorption level Ksh. Million**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	353.2	354.0	100%
2	Operations and maintenance	610.1	646.3	94%
3	Development	64.8	66.6	97%
	<b>Total</b>	<b>1,028.1</b>	<b>1,066.9</b>	<b>96%</b>

**Graph 6: Finance and ICT absorption analysis.**



103. Development absorption cost was 97.8%. Operation and maintenance vote absorption was 94% while Employee compensation was near 100%.

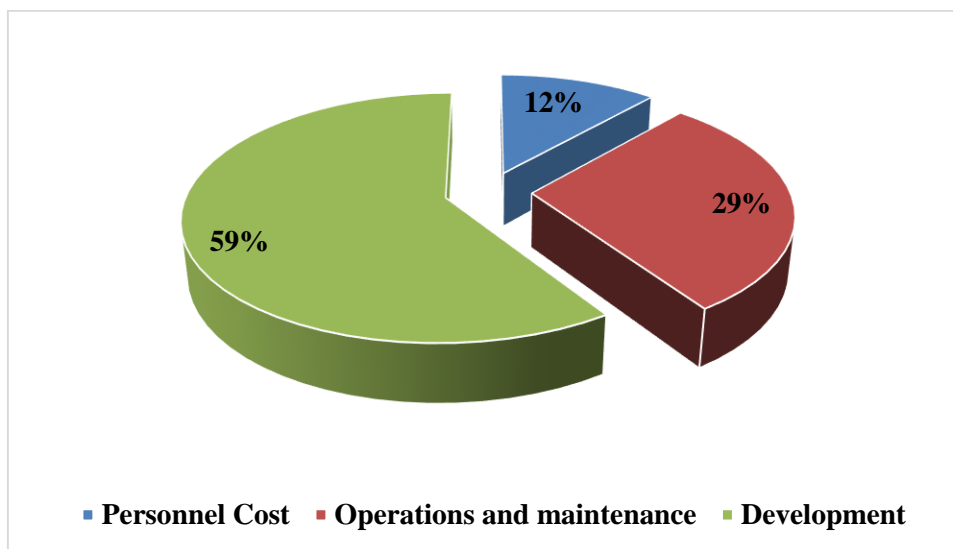
## 5. Community Development, Culture, Sports and Social Services

- 104.** The department is committed to establishing a socially self-driven empowered community through instituting sustainable social protection, talent nurturing, heritage preservation and creating equal opportunities for children, youth, women, PWDs older persons and other vulnerable groups for a holistic growth and development.
- 105.** The department comprises of seven sections namely Youth Affairs, Children Services, Culture, Tourism, Liquor Licensing, Sports and Social Services that deal with issues affecting all vulnerable members of the community. Community development is a pre-requisite to economic development of any country.
- 106.** To reduce the poverty index, the department implemented various capacity building, empowerment and safety net programs which are key in breaking the cycle of poverty among the vulnerable members of the community who include: children, youth, women, people living with disability and the elderly.
- 107.** The following development projects were initiated within the department in line with the Approved Budget FY 2016/2017; Equipping and Operationalization of youth empowerment Centres, Refurbishment of two Community Capacity Support Centres (Butula)- Ongoing, Refurbishment of two Community Capacity Support Centres (Agenda) -on-going, Establishment of youth empowerment Centre at Kamolo, Inter county sport activities/Sports and Talent Development-Youth have been exposed to opportunities –for talent nurturing, Establishment and Operationalization of children assemblies in sub counties, Operationalization of the Child Protection Centre, Historical sites and monuments mapping and data bank-ongoing, Purchase of land for construction of community cultural Centre at (Kakapel-ongoing, Nambale, Teso south and Butula) and disbursement of grant to groups across the county to a tune of ksh.18M.
- 108.** The major challenges experienced by the department during the period under review were; incidence of poverty and vulnerability, long procurement processes and delay by contractors to complete tasks which impacted negatively on the development. In addition, there was inability to mainstream and champion gender and disability issues in a bid to attain the targets as spelled out in Vision 2030 medium term plan 2013-2017.
- 109.** Furthermore, Staff capacity coupled with inadequate skills still remains a challenge. This calls for informed training. Moreover, irregular/untimely exchequer releases by the national government and E-Procurement bottlenecks were also major challenges to the department.
- 110.** The department was allocated Ksh. 201.3 M representing 3% of the total county budget, as follows;

**Table 19: Community Development, Culture, Sports and Social Services allocation analysis by economic classification:**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	23.3	12%
2	Operations and maintenance	58.5	29%
3	Development	119.5	59%
	<b>Total</b>	<b>201.3</b>	<b>100%</b>

**Figure 10: Community Development, Culture, Sports, and Social Services allocation analysis**

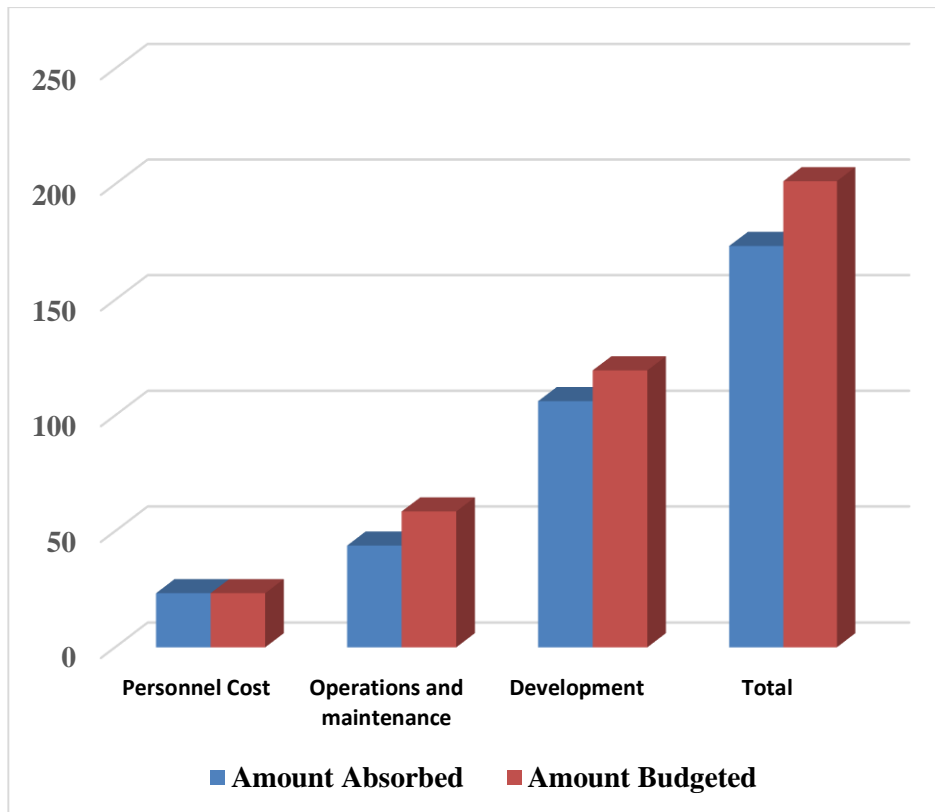


111. Development allocation was the highest at 59%, Personnel cost (Compensation to employees) at 12% and Operations & Maintenance at 29% allocation of the total departmental budget.

**Table 20: Community Development, Culture, Sports and Social Services absorption level in Ksh Millions**

No	Description	Amount Absorbed	Amount Budgeted	% age Against Allocation
1	Personnel Cost	23.3	23.3	100%
2	Operations and maintenance	43.8	58.5	75%
3	Development	106.2	119.5	89%
	<b>Total</b>	<b>173.3</b>	<b>201.3</b>	<b>86%</b>

**Graph 7: Community Development, Culture, Sports, and Social Services absorption analysis**



**112.** Personnel cost was fully utilized while 75% of Operations and Maintenance were absorbed. The development absorption stood at 89%.

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

**113.** The department is made up of four directorates namely; Roads, Public works, Transport and Energy. The department’s mandate is to provide an enabling and supportive environment for investment in the county and sustain standard road network and public infrastructure for sustainable development.

**114.** The department made some numerous achievements amongst them were; construction of bridges and box culverts across the county, opening up of new roads, murraming and gravelling as well as periodic maintenance of the existing roads to increase accessibility to and from the markets, health and learning facilities; street lighting of major towns for improved security and embracing a 24 hour economy.

**115.** The county has a total road network of about 1600km out of which approximately 182km are tarmacked the remaining 1418km of road network requires regular maintenance and upgrading especially of the drainage system.

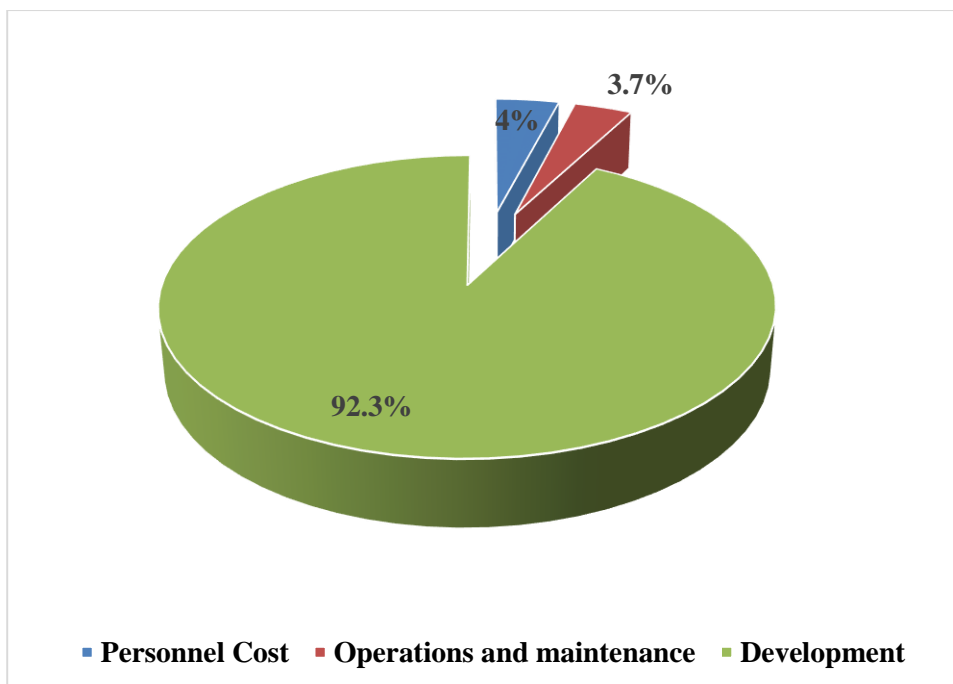
**116.**In the year under review the department managed to do various roads and civil works among them are; Bukhuma-Onenyo-Mudinyu-Oledo road, Nyamunyere-Kanjala box culvert, Sikoma Bridge, Marokora box culvert, Bukati-Kanjala box culvert, Nyalakot box culvert and Bubamba Bridge in Budalangi

**117.**The department was allocated Ksh. 904.1 M. This constituted 12% of the total budget. The budget for the department was divided as follows:

**Table 21: Public Works, Roads, Transport and Energy allocation analysis by economic classification**

SNO	DESCRIPTION	AMOUNT (Mil)	PERCENTAGE
1	Personnel Cost	36.5	4.0%
2	Operations and maintenance	33.5	3.7%
3	Development	834.0	92.3%
	<b>Total</b>	<b>904</b>	<b>100%</b>

**Figure 11: Public Works, Roads, Transport and Energy allocation analysis**

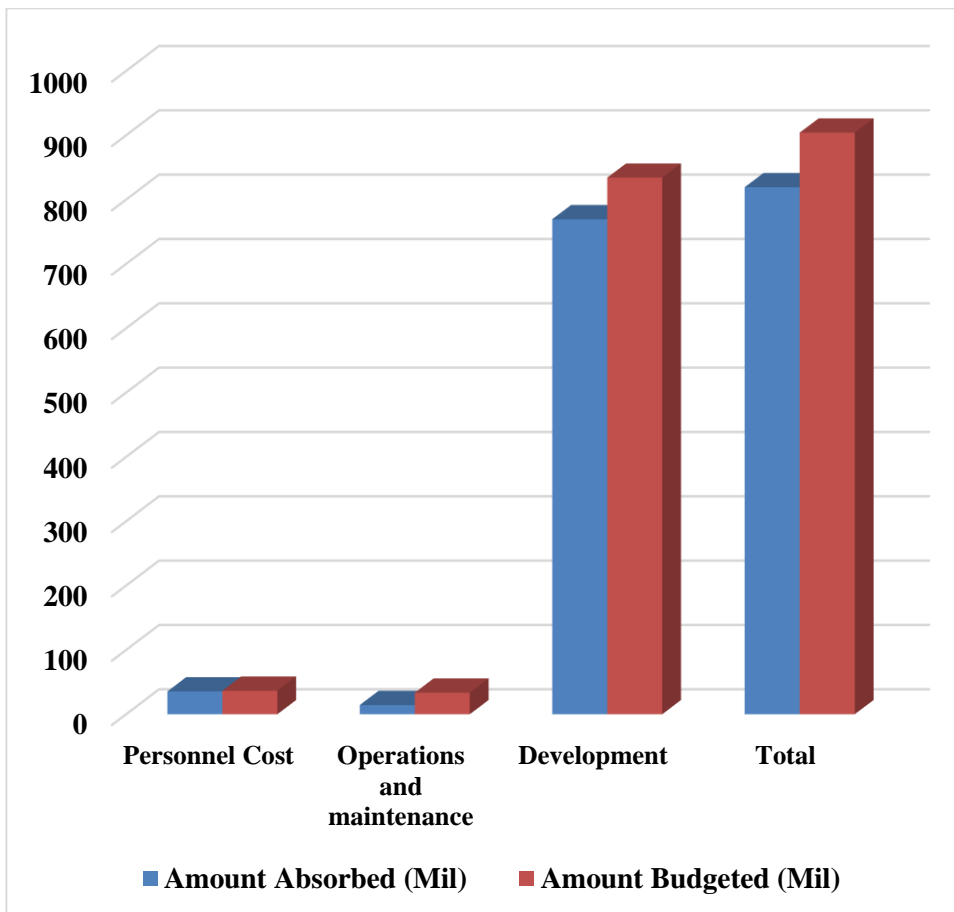


**118.**The development cost allocation was the highest at 92.3%. Personnel cost (Compensation to employees) was the second highest with a cost allocation of 4%. The Operations and Maintenance was the least beneficiary with 3.7%.

**Table 22: Public Works, Roads, Transport and Energy absorption level in Ksh Millions**

No	Description	Amount Absorbed (Mil)	Amount Budgeted (Mil)	%Age Against Allocation
1	Personnel Cost	35.5	36.5	97%
2	Operations and maintenance	14.3	33.5	43%
3	Development	769.4	834.0	92%
	<b>Total</b>	<b>819.2</b>	<b>904</b>	<b>91%</b>

**Graph 8: Public Works, Roads, Transport, Energy, and Disaster Management Absorption analysis**



119. The personnel cost vote recorded 97% absorption. Development vote absorbed 92% while O&M was utilized at 43%. Total departmental absorption was 91%.

## **8. Public Service Management**

**120.** The department aims to be a benchmark for high performing, dynamic and ethical public service. This is to be achieved through facilitating a safe environment for an effective and productive work force that guarantees personal growth and sustainable development.

**121.** The department is vested with the following responsibilities;

- Formulation of Labour relations and Labour Laws complaint policies, employee's sensitization of the same, interpretation and implementation.
- Identification of training and development gaps of employees and ensuring that the same are bridged.
- Ensure adherence to Acts of parliament related to employment such as; Retirement Benefits Authority Act/NSSF ACT, The Employment Act, 2007, The occupational Safety and Health Act, 2007, Work Injury Benefit Act, 2007 (WIBA, Industrial Training Act-Training levy.

**122.** The department is also mandated to undertake; Employee Satisfaction Survey; This is necessary in order to enhance employee relations and hence avert costly disruption of work by employees through strikes, Good Records Management which is the back bone of county as it not only helps in informed decision making but also keeps track of the happenings of the county, Training Needs Assessment (TNA) Training that enhances employee development and capacity building.

**123.** The department is mandated with spear heading performance contracting, records management and performance appraisal.

**124.** The performance of the department during the last financial years has been satisfactory. In the just concluded financial year, the following projects were implemented; development of service charter, training on performance management, gender and disability mainstreaming CARPS, development of Occupational Health and Safety Policy, Record Management Policy, Alcohol and Drug Abuse Policy, HIV and Aids Policy and Training and development of staff capacity.

**125.** The department is spearheading the process of County ISO Certification to ensure that its processes procedures and documentation are of International Standards. It also seeks to digitize the County registry and information system. This will pave way for easy retrieval of documents and information.

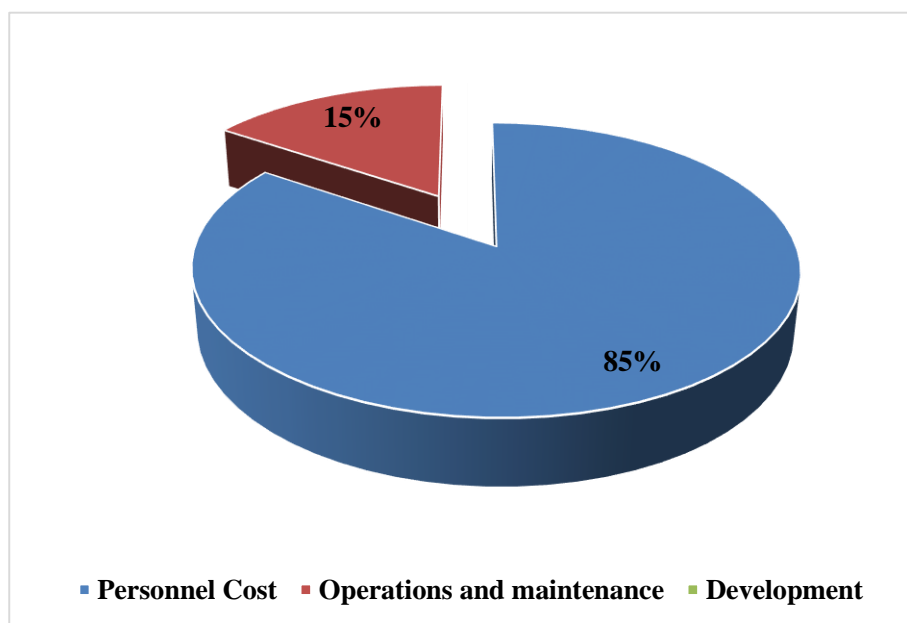
**126.** The department was allocated Kshs. 157.5 M. This constituted 2 % of the total budget. The budget for the department was divided as follows;



**Table 23: Public Service Management allocation analysis by economic classification**

SNO	DESCRIPTION	AMOUNT	PERCENTAGE
1	Personnel Cost	133.1	85%
2	Operations and maintenance	24.4	15%
3	Development	0	0%
	<b>Total</b>	<b>157.5</b>	<b>100%</b>

**Figure 12: Public Service Management allocation analysis**

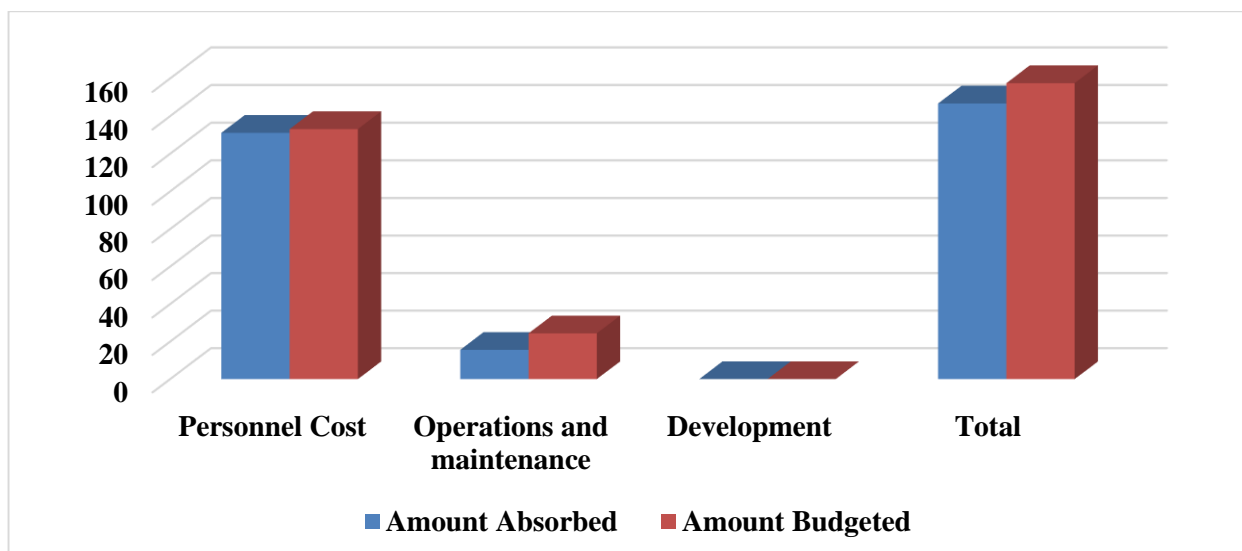


127. The Personnel cost (Compensation to employees) was the highest at 85%. Operations and Maintenance was the lowest beneficiary with 15%.

**Table 24: Public Service Management absorption level in Millions**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	131.1	133.1	98%
2	Operations and maintenance	15.6	24.4	64%
3	Development	0	0	0%
	<b>Total</b>	<b>146.7</b>	<b>157.5</b>	<b>93%</b>

**Graph 9: Public Service Management analysis**



**128.** Personnel cost was expended at 98%. The department spent 64% of Operations and Maintenance.

### **9. Lands, Housing and Urban Development**

**129.** The department aims at attaining Excellence in Land Management and Provision of Excellent, Affordable and Quality Housing for sustainable development. This is to be realized through efficient administration, equitable access, secure tenure, sustainable management of land resource and access to adequate housing so as to improve the livelihoods of the citizens of Busia County.

**130.** The Sector is mandated to provide services on Lands, Housing and Urban Development in the County.

**131.** The County Land Management Board was put in place to work in conjunction with the department to ensure proper administration of public land in the county. This ensures value addition within the context of attaining maximum utility of available public land for the benefit of the people of Busia. The department facilitated acquisition of public land for the county government and acquisition of ownership of purchased land for ward development projects. Land for Trailer parks in Busia and Malaba was purchased.

**132.** The major achievement by the department during the year under review was formation and Operationalization of Town Management Committees for Busia and Malaba towns. These committees will oversee the management and coordination of activities within the urban areas and towns.

**133.** Under Housing, the department continued to ensure access to quality and affordable housing through adoption of appropriate building technologies and engagement of the private sector in housing development through PPPs. During the fiscal year under review the department continued with construction of ABT building at Osajai in Teso North Sub County which is currently over 90% complete. The department renovated the senior staff quarters houses and fenced the junior staff quarters.

**134.** The department initiated establishment of the County spatial plan. Additionally, the Busia Valuation roll was initiated and it is at its final stages awaiting valuation. This is aimed at enhancing the county own revenue sources. Through the initiative of the department, mass lights were installed across the county and this has prolonged trading hours especially at the market centres.

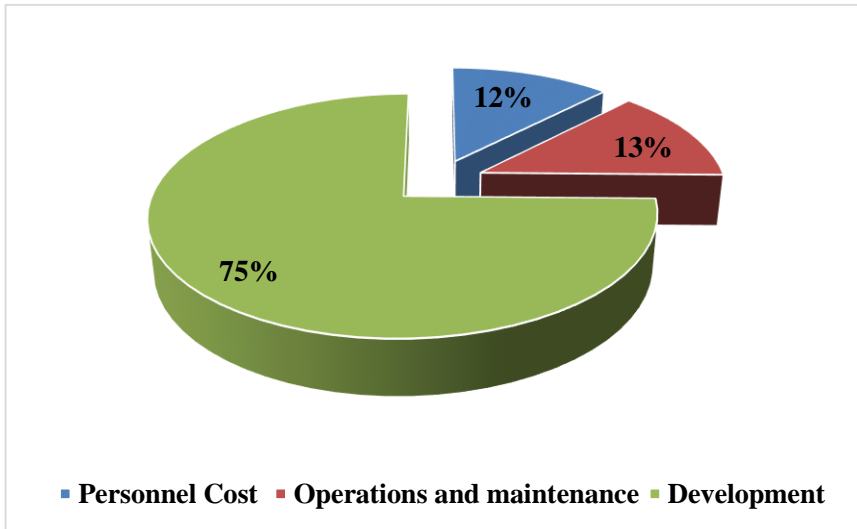
**135.** The department experienced several challenges during the period. Capital projects envisaged could not be implemented due to policy directives from the Office of the Controller of Budget. The directive meant that capital projects with massive cash outlays could only be implemented on annuity basis. Getting investors to partner with the department for this purpose was not achieved due to lack of policy to engage with them.

**136.** The department was allocated Ksh 398.3 M. This constituted 5% of the total budget as follows;

**Table 25: Lands, Housing and Urban Development Allocation analysis by economic classification**

<b>SNO</b>	<b>Description</b>	<b>Amount (M)</b>	<b>Percentage</b>
1	Personnel Cost	48.9	12%
2	Operations and maintenance	51.8	13%
3	Development	297.6	75%
	<b>Total</b>	<b>398.3</b>	<b>100%</b>

**Figure 13: Lands, Housing and Urban Development Allocation analysis**

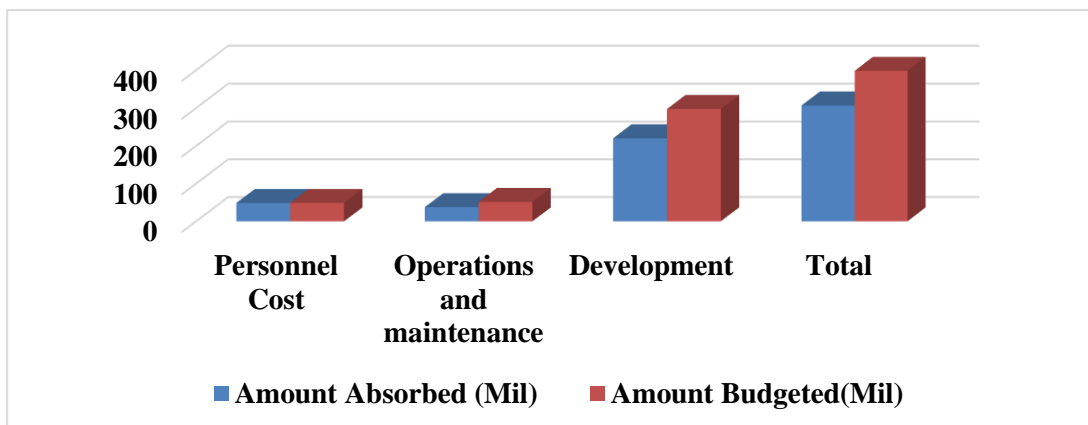


137. Development cost was the highest with an allocation of 75%. Personnel cost (Compensation to employees) had an allocation of 12%. Operations and maintenance got an allocation of 13 %.

**Table 26: Lands, Housing and Urban Development absorption level**

No	Description	Amount Absorbed (Mil)	Amount Budgeted(Mil)	Percentage Against Allocation
1	Personnel Cost	48.9	48.9	100%
2	Operations and maintenance	37.6	51.8	73%
3	Development	220.4	297.6	74%
	<b>Total</b>	<b>306.9</b>	<b>398.3</b>	<b>77%</b>

**Graph 10: Lands, Housing and Urban Development Absorption analysis**



138. The total absorption was 77%. The Personnel vote was fully expended. Development vote absorption represented 74% and 73% of O & M vote was spent.

## 10. Water, Environment and Natural Resources

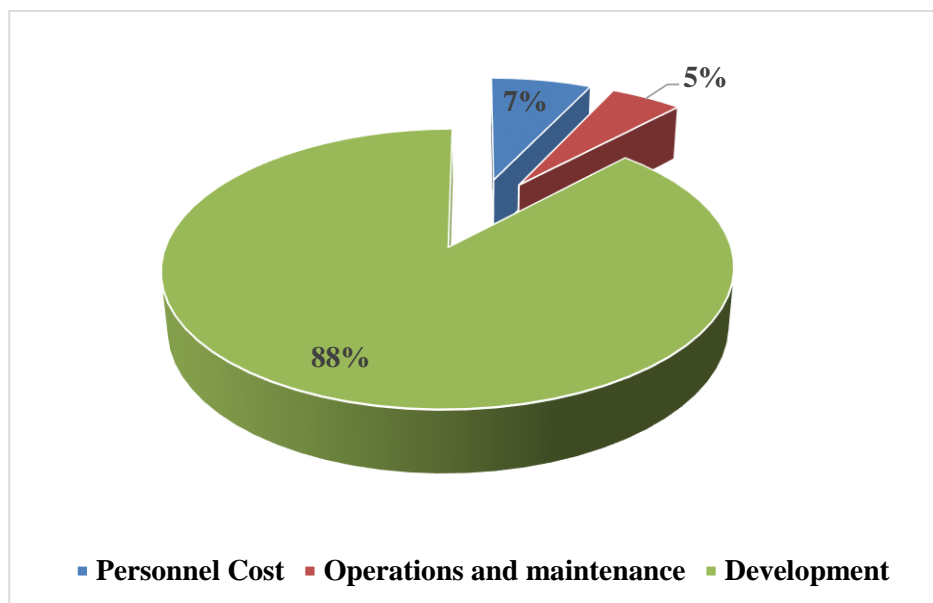
139. The department aims at Promoting, conserving and protecting the Environment and improve access to Water for Sustainable Development so as to achieve a clean, Secure and Sustainable Environment.
140. The department is mandated to ensure that the people of Busia County are provided with desired service levels in water provision under secure and sustainable environment. Emphasis has been to develop infrastructure that is sustainable, and less costly in operation and maintenance, Protection of water catchment zones that include river bank both permanent and seasonal and wetland that run across the County has increased vegetation cover and ensured not only reduction in soil erosion and degradation but also optimum water quality and quantity.
141. Investment and irrigation infrastructure has increased the acreage under arable farming enhancing food security at house hold level.
142. Solid and Liquid Waste Management as well as Irrigation Services formed the biggest challenge for the department, although currently solid waste management is a function of department of Lands, Housing and Urban Development. Investment requirements are enormous and the department will endeavour to partner with relevant stakeholders in ensuring adequate measures are in place to effectively control liquid waste for Sanitation purpose.
143. By connectivity the County had 2.5% sewer Connectivity limited to Busia Township with a standard Sewer treatment plant. Most of the sub-counties are now open defecation free with Nambale Sub County having the greatest sanitation coverage.
144. During the year under review, the department was able to implement 70% of the planned programmes. These included; Completion of 2015/2016 projects, Hydrological survey, drilling, development, test pumping and water quality analysis for 15 No. Boreholes in Nambale, Matayos and Butula sub counties. Installation of solar pumping units with accessories for 15 No Boreholes in Nambale, Matayos and Butula sub counties.
145. Rural Water Supplies including; Expansion of Aburi water project, Improvement of pipe distribution-Mwenge water project, Rehabilitation of Sirira dam, Pipe extension Osieko-Nambo Water Project, Augmentation of Port Victoria water supply, Rehabilitation of hand pumps Bunyala sub county, Pipe extension (Busibwabo, Makawar, Bukhakhalaand Agenga water supply) Rehabilitation of and pumps Teso North and Spring protection Samia Sub County among other projects.

- 146.** Operationalization of BUWASCO under Urban Water Supply, Rehabilitation of degraded areas such as Lukolis, Bumadeya and Walatsi, Infrastructure development including Completion of Kokare irrigation and drainage project.
- 147.** Overall, the Department implemented 90% of the Departmental Projects and 50% of the Ward Development Projects. 2 No Waste Management Dump trucks were procured, 71 No Boreholes were drilled and equipped with hand pumps e.g. Isongo, Tingolo, Akapijan, Okatekok, Okisimo, 280Km of pipe network was developed, Storage was increased by 700m<sup>3</sup> and 6 No. New solar systems were developed.
- 148.** In addition, the department acquired two Modern Solid Waste Trucks for effective collection and transportation of Solid waste to the designated dumpsites, appointed board of directors to kick start the operations of BUWASCO i.e. handling of urban water supplies especially Angurai, Malaba, Kocholia and Busia Mundika.
- 149.** Over the medium-term period, emphasis will be on Intensifying revenue collection on water sales, reduction of dependence on hydroelectric power as a major source of energy to solar powered schemes, curbing malpractices in management of water schemes, creation of awareness on water utilization, strengthening monitoring and evaluation to meet desired goals, encourage growing of multi-purpose trees and shrubs on farm and development of non-timber forest products. Maintenance of the complete projects especially solar powered pumps and pipe extension is the main challenge facing the department
- 150.** The department was allocated Kshs. 544.6 M. This constituted 7% of the total County budget. This is distributed as follows:

**Table 27: Water, Environment and Natural Resources allocation analysis by economic classification**

<b>SNO</b>	<b>DESCRIPTION</b>	<b>AMOUNT (Mil)</b>	<b>PERCENTAGE</b>
1	Personnel Cost	38.2	7%
2	Operations and maintenance	27.1	5%
3	Development	479.3	88%
	<b>Total</b>	<b>544.6</b>	<b>100%</b>

**Figure 14: Water, Environment and Natural Resources allocation analysis**

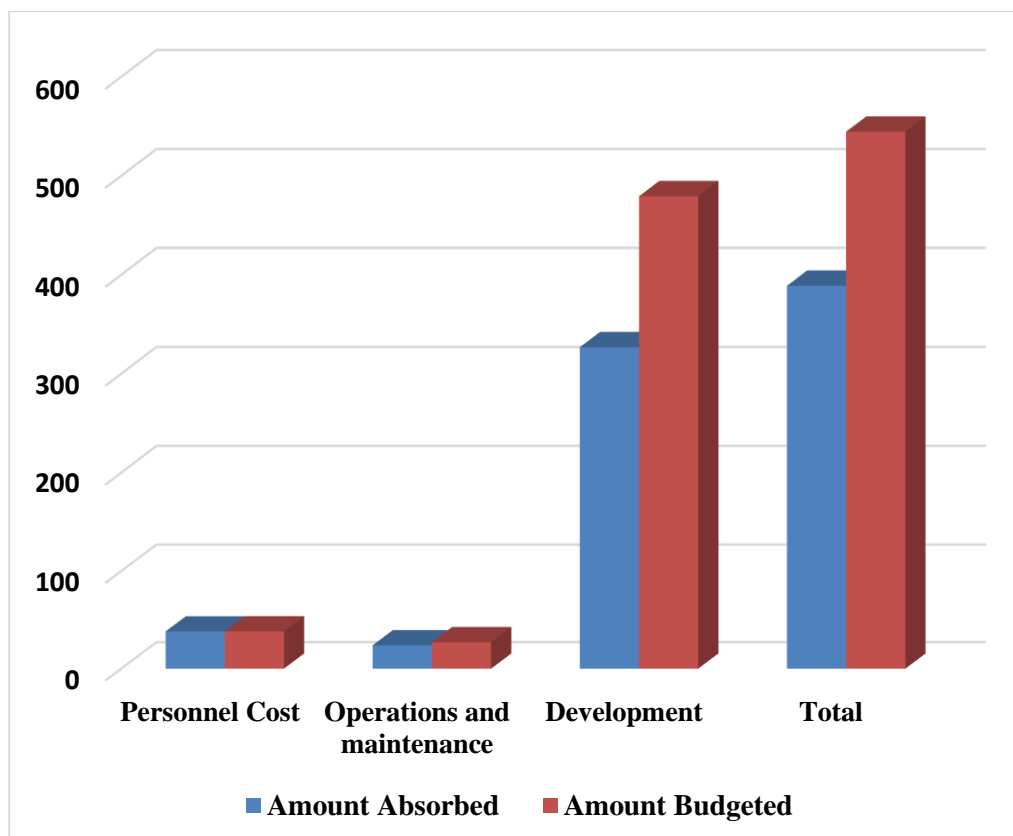


151. Development allocation was the highest at 88%. The Personnel allocation (Compensation to employees) took an allocation of 7% while Operations and Maintenance was least at 5%.

**Table 28: Water, Environment and Natural Resources absorption level in Kshs. Millions**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	38.1	38.2	100%
2	Operations and maintenance	24.0	27.1	89%
3	Development	326.8	479.3	68%
	<b>Total</b>	<b>388.9</b>	<b>544.6</b>	<b>71%</b>

**Graph 11: Water, Environment and Natural Resources absorption analysis**



**152.** The development vote was utilized at 68% absorption rate. Personnel allocation was fully expended while Operations and Maintenance stood at 89% absorption rate. Total departmental absorption was 71%.

### 11. Health and Sanitation

**153.** The department aims at establishing a healthy, productive, and internationally competitive County. This is to be achieved through establishing a progressive, sustainable, technologically-driven, evidence-based and client-centered health system with the highest attainable standards of health at all levels of care in Busia County Health.

**154.** To ensure efficient and effective service delivery, the department has three directorates namely; Administration and Support services, Curative Health Services and Preventive and Health Promotion Services. It is responsible for providing quality healthcare services to the people of Busia County and its environs.

**155.** The department realized a number of achievements despite existence of various challenges. The department provided both out-patient and inpatient services at Busia County Referral Hospital (Level 5) and 7 level (4) hospitals, level three (3) in (15) Health Centre. At level two, 53 out of 92 dispensaries provided outpatient services. There are 123 registered health facilities in the County having increased from 87 in 2013. The county KEPH health



services utilization were at 1.3 per cent implying that the county's population has overloaded the health care system hence the need for more health care facilities. Fully immunized child indicator decreased from FY2015-2016 (78%) to FY2016-2017(66%)

- 156.** Health facility based deliveries have improved over the years. In 2012 -2013 it was at 36%. Due to free maternity services delivery program they increased to 56 % in 2013-2014 and to 59% in 2014-2015. In the subsequent years 2015-2016 they dropped to 41% and 35% in 2016-2017 because of the doctors' a hundred days strike and nurses 'strikes which took effect from 6<sup>th</sup> June 2017 to date. County HIV prevalence rate improved from 6.8% (2015-2016) to 6.7% (2016-2017) which is a positive trend in HIV/AIDs care compared to 5.1% at National level. The TB cure rate was recorded at 80% during the year. Women of reproductive age (WRA) accessing family planning services stood at 35% compared to 53% at National level.
- 157.** Level one KEPH service delivery were provided through partnerships with Ampath, Aphia plus, Save the Children, Amref health Africa, Fred Hollows and K-Ship in collaboration with the County department of Health and Sanitation. Formation and Implementation of Community strategy increased from 178 Units to 184 Units with a total of 2051 Community Health Workers (CHWs). The Department in conjunction with Living Goods is piloting a model of empowering CHWs to treat and manage malaria, pneumonia and Diarrhea in five Sub Counties; Nambale, Butula, Matayos and Teso North Sub Counties.
- 158.** The Department has maintained a lead in Community Sanitation at household level country wide by 96 percent through Community Led Total Sanitation (CLTS) methodology in accelerating access to improved sanitation. To maintain the status of open defecation free status that was declared on 19th November 2015, the CHWs and Technical staff have been trained further through the SANMARK Project. During the same year under the County Government of Busia Department of Health and Sanitation admitted the first students at Busia Medical Training College. The first class of 53 Diploma in Clinical Medicine & Surgery students was admitted in November 2016. Another class of 50 students was admitted in May 2017 to pursue a Diploma Course in KRCHN.
- 159.** The Department procured furniture, medical equipment and teaching aids for Busia KMTC. To improve on the condition of inpatient services at BCRH, 66 beds were purchased. The department purchased patients wheel chairs that were distributed to the County health facilities.
- 160.** The MOH Medical Equipment Scheme supplied medical equipment to Busia County Referral and Kocholia Sub County Hospital respectively. The equipment included a mammography, digital x-ray, mobile x-ray, ultra sound, printers, and a renal unit for BCRH, autoclave, theatre equipment, 2 operating tables and an anesthetic machine.

- 161.** The department is in the process of completing infrastructural projects of upgrading five (5) dispensaries at Malaba, Obekai, Malanga, Namuduru and Osieko to Health Centre levels. The Accident and Emergency (A&E), and Newborn unit blocks (NBU) at Busia County Referral hospital were still under construction by the end of the year under review. The Port Victoria Medical block was expected to be complete by the end of the period under review. The Medical Laboratory blocks at Port Victoria, Sio Port, and Nambale hospitals remained uncompleted during the year under review. Theatre block at Nambale Sub County Hospital is yet to be completed. The Theatre Block at Sio Port Sub County hospital has a few final touches to be made before installation of theatre equipment.
- 162.** The Department initiated the construction of a theatre block at Matayos Health Centre which is at the foundation level. The theatre is meant to upgrade Matayos Health Centre to a Sub County Hospital at Matayos Health Centre.
- 163.** The departmental health information system collected all the health facility based service delivery on monthly basis and transmitted the same (86.4 %) into the National (DHIS) Grid information system. The department received substantial revised reporting tools from the National office for use in the County. Partners supported EMR data services at key facilities in the County with main hospitals being the beneficiaries.
- 164.** The risks to anticipate going forward are mainly; inadequate funding, poor cash flow, inflation, reduced revenue collection because of poverty and logistical issues. The other challenge is the frequent strikes inherent in the health sector. The curative and preventive service provision in the County have been adversely affected by the doctors' strike that lasted 100 days which was followed closely by that of nurses that is in its 90<sup>th</sup> day.
- 165.** Going forward, the department will focus on:
- a.** Ensuring the provision of quality health care services at all levels through adequate provision of appropriate inputs such as drugs, non-pharmaceuticals, laboratory reagents and x-ray supplies. This will be in addition to adequate supply of patients' food and ration.
  - b.** To provide quality health services will also require hiring additional health workers to fill the gaps and deployment in the newly opened health facilities and units such as Theatres, laboratories and wards.
  - c.** The department will also ensure that all the health facilities are fully equipped and the existing equipment are serviced promptly as required. The equipment will include those of theatres at Nambale, Khunyanguru and Sio-Port Hospitals.
  - d.** Plant and machinery such as Laundry machines will be procured for all Hospitals for proper cleaning of patients' linen and uniform.

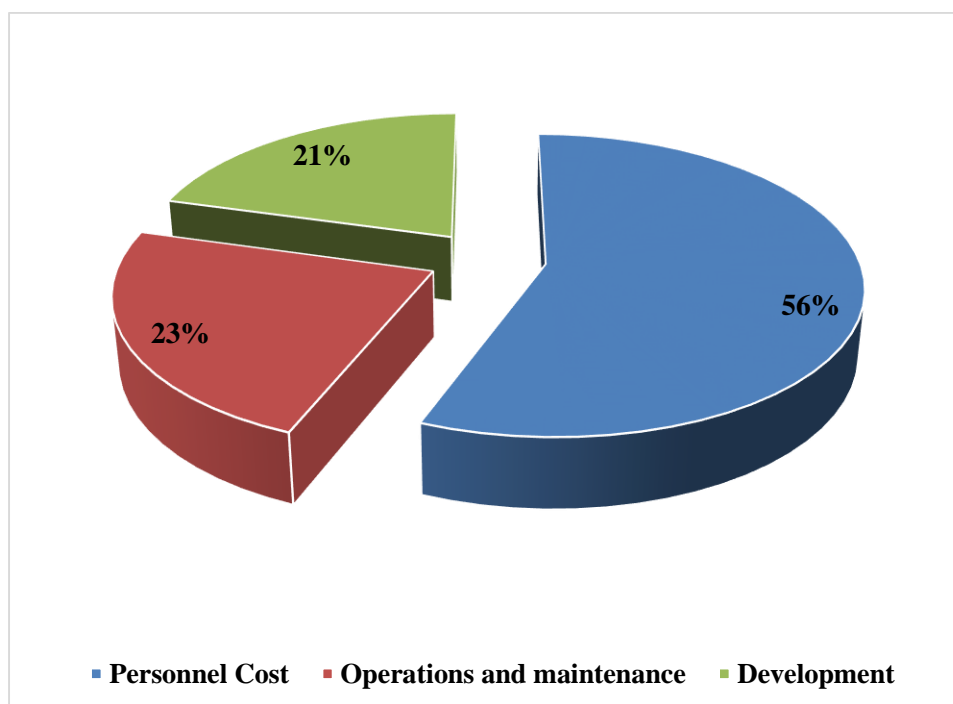
- e. The Department should not initiate any new project without completing ongoing ones.
- f. The department will procure utility vehicles for support supervision by the CHMT and Sub Health Management Teams.
- g. The Department will strengthen its relationship with partners who are primarily involved in Primary Health Care activities such as sanitation, HIV/AIDs, Immunization, malaria control, TB & Leprosy, Reproductive, Health, Ophthalmology services and Community Strategy. The department is committed to motivating the CHWs by paying them a monthly stipend.

**166.** The department was allocated Ksh 1,708.4 M. This constituted 23% of the total budget. The budget for the department was divided as follows

**Table 29: Health and Sanitation allocation analysis by economic classification**

SNO	DESCRIPTION	AMOUNT (Mil)	PERCENTAGE
1	Personnel Cost	957.6	56%
2	Operations and maintenance	397.5	23%
3	Development	353.3	21%
	<b>Total</b>	<b>1708.4</b>	<b>100%</b>

**Figure 15: Health and Sanitation allocation analysis**

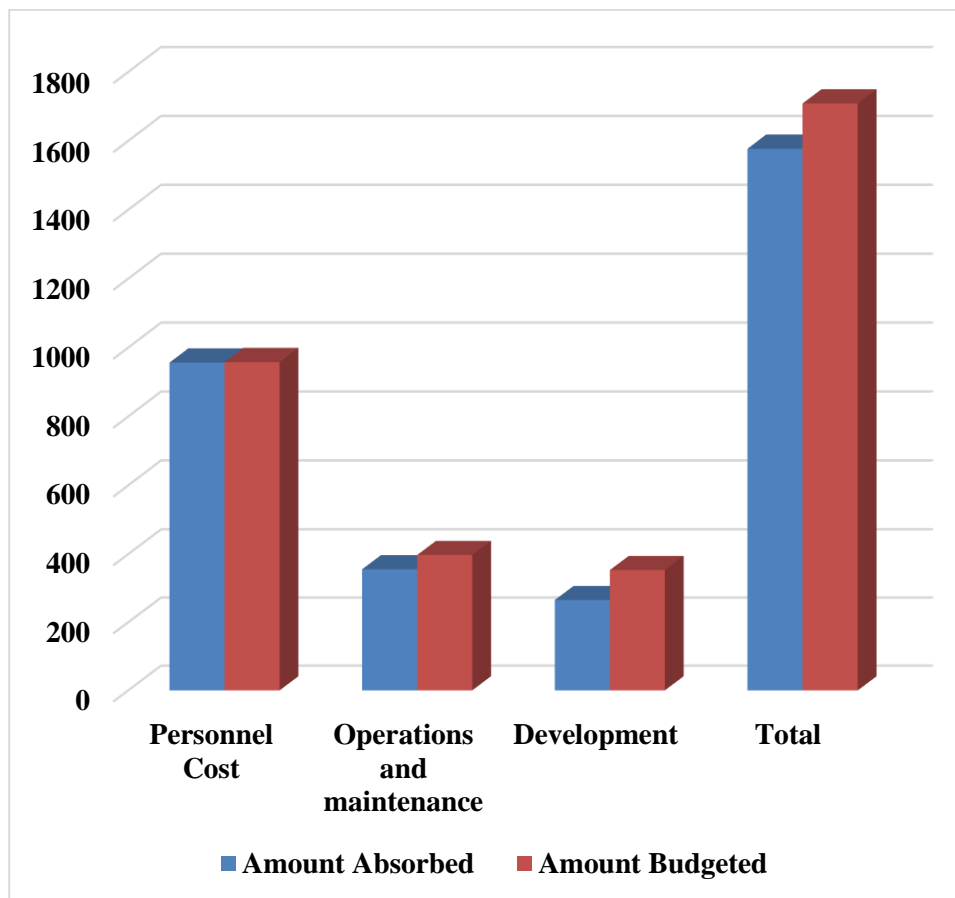


167. Personnel allocation (Compensation to employees) took the highest allocation of 56%. This is because of the high number of staff who are deployed in all county health facilities and community level. However, the department is still faced with shortage of key staff. The development vote stood at 21% while Operations and maintenance got an allocation of 23% of the department's budget.

**Table 30: Health and Sanitation absorption level in Ksh. Million**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	956.3	957.6	99.9%
2	Operations and maintenance	355.7	397.5	89.5%
3	Development	265.1	353.3	75.0%
	<b>Total</b>	<b>1,577.1</b>	<b>1,708.4</b>	<b>92.3%</b>

**Graph 12: Health and Sanitation absorption analysis**



168. The personnel allocation was fully expended at 99.9%. The Operations and Maintenance vote managed an 89.5% absorption capacity while development managed 75%.

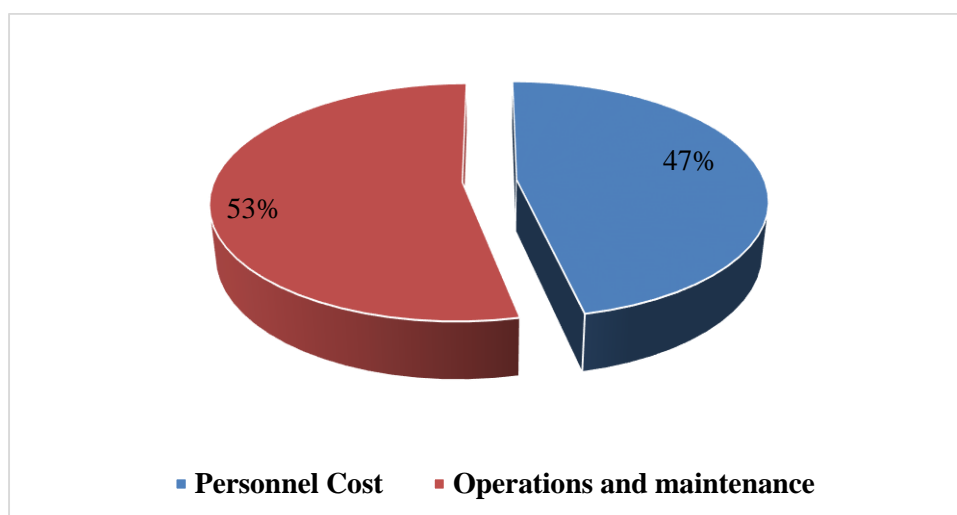
## 12. The County Public Service Board

- 169.** The County Public Service Board vision is to be a beacon of professionalism, integrity, equity and dedication to quality public service.
- 170.** It aims to achieve the above through providing efficient and effective professional services for the realization of Busia County and national development goals through competitive recruitment, planning, developing and managing human capital.
- 171.** The role of the County Public Service Board is to establish 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.
- 172.** In order to guide the staff operations in the County, the Board engaged in the development of Strategic Plan, Service Charter, Recruitment Policy, Casual Workers Policy, Discipline Manual and Code of Conduct for the County Public Officers.
- 173.** The department was allocated Khs.42.7 M. This constituted 1% of the total county budget as follows;

**Table 31: The County Public Service Board allocation analysis by economic classification**

SNO	DESCRIPTION	AMOUNT (Mil)	PERCENTAGE
1	Personnel Cost	19.9	47%
2	Operations and maintenance	22.8	53%
	<b>Total</b>	<b>42.7</b>	<b>100%</b>

**Figure 16: The County Public Service Board allocation analysis**

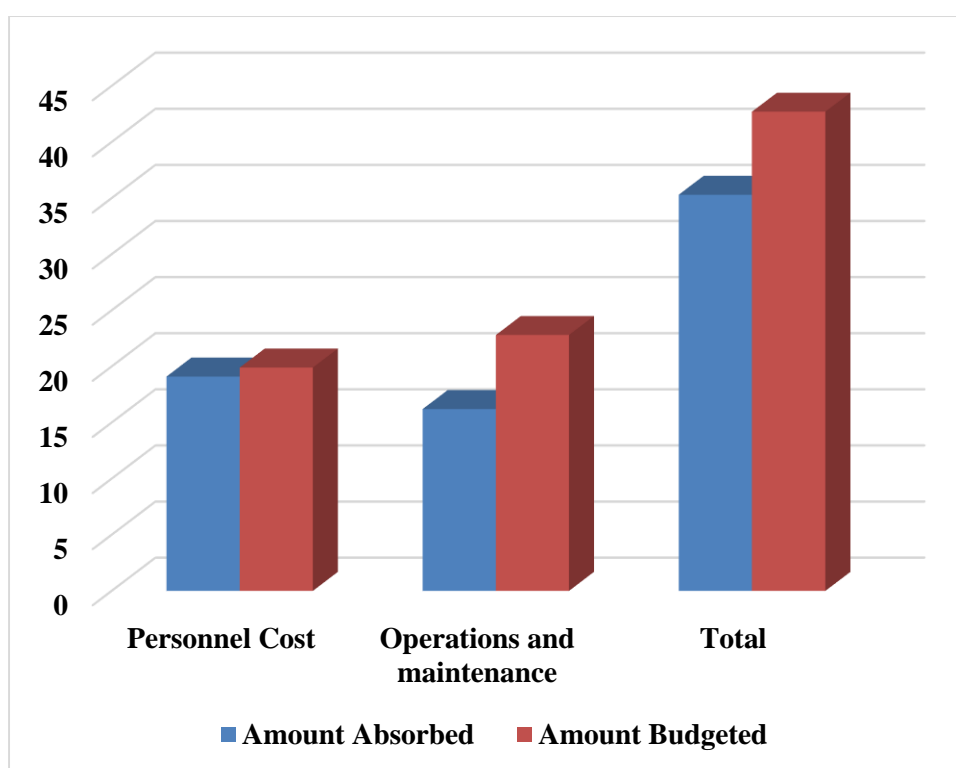


- 174.** The operation and maintenance vote allocation was higher by 53% compared to the Personnel emoluments which had an allocation of 47%.

**Table 32: The County Public Service Board absorption level in Millions**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	19.1	19.9	96%
2	Operations and maintenance	16.2	22.8	71%
	<b>Total</b>	<b>35.3</b>	<b>42.7</b>	<b>83%</b>

**Graph 13: The County Public Service Board absorption analysis**



175. The spending on personnel vote was absorbed at 96%. This was followed by operations and Maintenance at 71%.

### 13. Office of the Deputy Governor

176. The office of the Deputy Governor comprises units; namely Policy Coordination and Legislative Liaison. It is the fulcrum of the county government on matters of the County capacity development for policy and coordination.

177. The office was allocated Ksh. 21.6 M. This constituted less than 1% of the total county budget as follows.

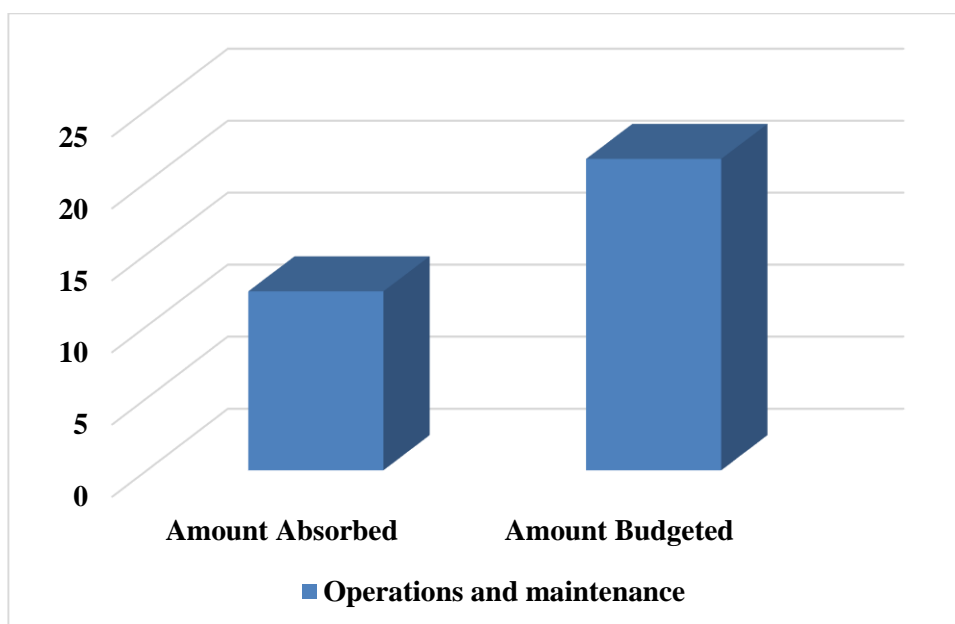
**Table 33: Office of the Deputy Governor Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	-	-
2	Operations and maintenance	21.6	100%
3	Development	-	-
	<b>Total</b>	<b>30.70</b>	<b>100%</b>

**Table 34: Office of the Deputy Governor Absorption level Ksh. Million**

No	Description	Amount Absorbed	Amount Budgeted	% Age Against Allocation
<b>F</b>	Operations and maintenance	12.4	21.6	57.4%
	<b>Total</b>	<b>12.4</b>	<b>21.6</b>	<b>57.4%</b>

**Graph 14: Office of the Deputy Governor Absorption analysis**



#### 14. Office of the Governor

178. To streamline the implementation of her mandate effectively, the Governorship established four directorates of Public Administration, Enforcement, Disaster Management, and Communication. The Governorship employed and trained technical staff to fill up gaps in these directorates.

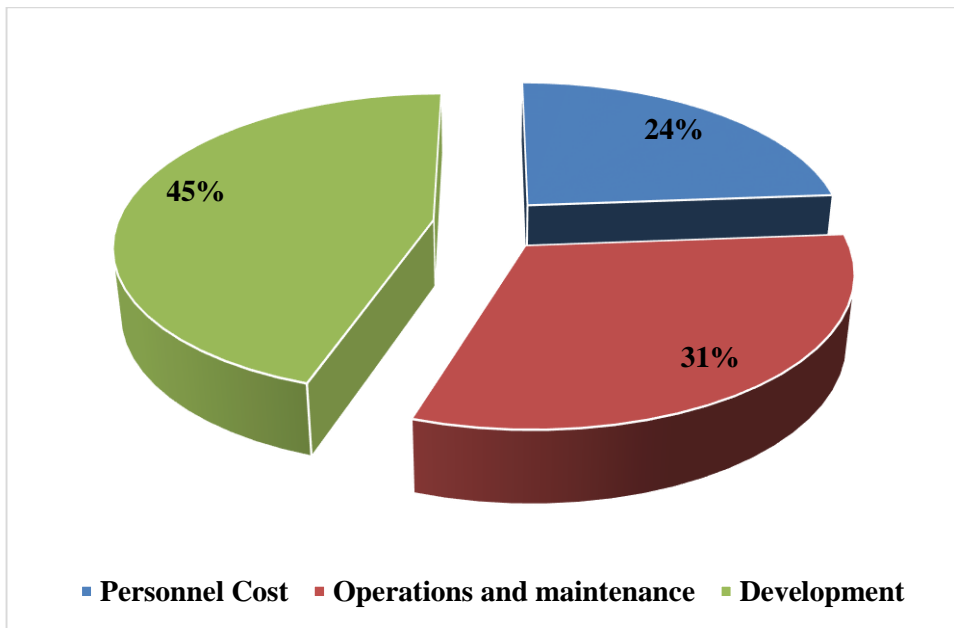
- 179.** It also trained its staff in human resource management skills, performance contracting and appraisal, established the Human Resource Advisory Committee to manage human resource related issues, developed performance contracting policy and forms, and engaged the CEC members, chief officers, directors, public administrators, and other staff in signing performance contracts for FY 2016/2017, by which they were appraised at the end of the year.
- 180.** The Directorate of Disaster Management was equipped with requisite operation facilities, including a modern fire engine vehicle whose capacity is 9000 litres of water and 1000 litres of foam, which was used to salvage West Kenya Sugar factory, business premises in Busia and Malaba towns, amongst others.
- 181.** The department also supported construction of Aedomoru – Kosenyi Bridge in Teso North.
- 182.** The Directorate provided relief services to communities in Budalangi living along Lake Victoria shores, to mitigate the effects of the lake's backflow, and others that experienced floods caused by heavy rains in Nambale, Teso North and Teso South sub counties. These communities were given food supplies, support to shift and settle in high areas, iron sheets, beddings and medical services.
- 183.** The construction of Matayos Sub County and Teso North Sub County disaster Centres were started and are ongoing. This will give the County three disaster Centres inclusive of the existing one at Budalangi. The objective is to spread disaster personnel and equipment across the County in preparedness to respond to disaster occurrences immediately, other than delays occasioned by traveling long distances from the County Headquarters.
- 184.** The Governorship, through the directorates of Public Administration and Enforcement effectively and efficiently coordinated and supervised public service in all administrative levels, from the County, Sub Counties and Wards. This promoted active public participation in needs assessment, project identification, budgeting and implementation, as well as maintenance of law and order.
- 185.** The Governorship experienced challenges of insufficient funds to complete construction and equipping of disaster management centres, and to reach to all people who needed mitigation/relief services after experiencing disaster misfortunes; shortage of staff especially in the Enforcement and Disaster Management.
- 186.** The fiscal performance in 2016/2017 was generally satisfactory. The Office of the Governor was allocated Kshs. 484.5 M. This constituted 6 % of the total budget as follows;



**Table 34: Office of the Governor Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	115.5	24%
2	Operations and maintenance	151.4	31%
3	Development	217.6	45%
	<b>Total</b>	<b>484.5</b>	<b>100%</b>

**Figure 17: Office of the Governor Allocation analysis**

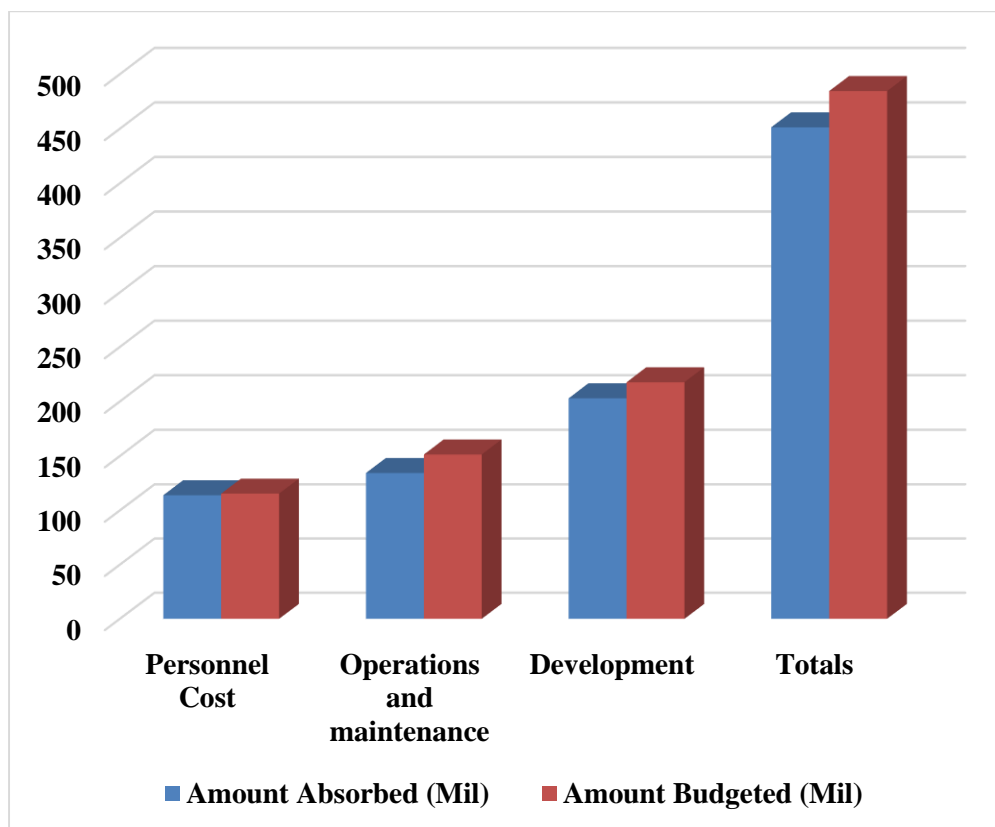


187. The office had a development allocation of 45%, operation and maintenance vote allocation was allocated 31% compared to the Personnel emoluments which had an allocation of 24%.

**Table 35: Office of the Governor Absorption level in Millions**

No	Description	Amount Absorbed (Mil)	Amount Budgeted (Mil)	% Age Against Allocation
1	Personnel Cost	114.0	115.5	99%
2	Operations and maintenance	134.4	151.4	89%
3	Development	202.9	217.6	93%
	<b>Totals</b>	<b>451.3</b>	<b>484.5</b>	<b>93%</b>

**Graph 15: Office of the Governor Absorption analysis**



**188.** The spending in Personnel Emoluments was 99%, Operations and Maintenance 89% and development 93%.

### 15. Office of the County Secretary

**189.** The office of the County Secretary is a creation of the law and is captured in section 44 of the County Government Act, 2012. The County Secretary is mandated inter-alia; to: be the head of the county public service, be responsible for arranging the business, and 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; and perform any other functions as directed by the county executive committee.

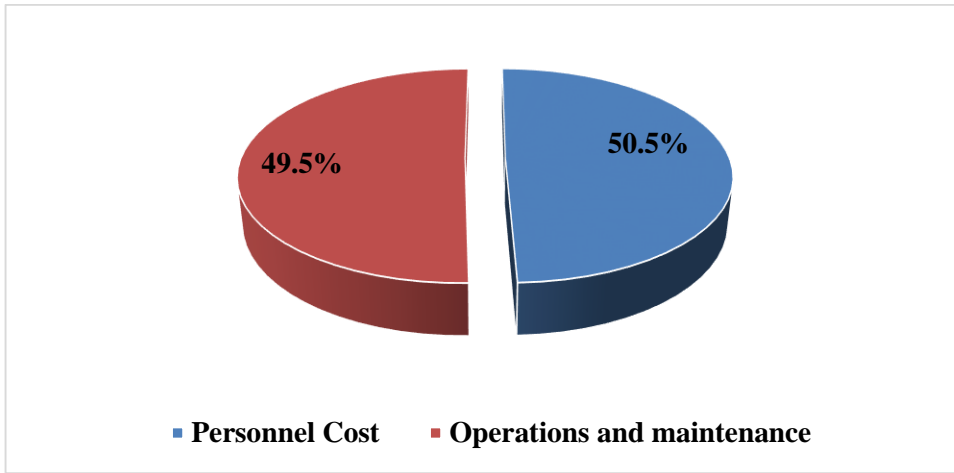
**190.** The County Secretary’s Office conducted the County Public Service Staff restructuring, which was informed by the findings and recommendations from the County Public Service Board after the Board had conducted the staff suitability test. The findings indicated that most of the staff, though with experience, lacked the pre-requisite professional qualification to effectively deliver service in their then designation. The affected staff were re-deployed to relevant designations. This brought about job satisfaction amongst staff members, with enhanced improvement in their service delivery.

- 191.** The County Secretary played a central role in determining policy that laid the ground for the institution of key bills which were debated by the County Assembly.
- 192.** The Office of the County Secretary acted as a liaison link between the County Executive and other institutions for the purpose of effective implementation of the decisions emanating from the County Executive. In addition, the Office of the County Secretary was instrumental in communication of National policies to relevant departments of the County.
- 193.** The office faced the following challenges that limited the execution of its mandate. For example budgetary constraints, inadequate staff capacity in key technical areas, inadequate provision of infrastructure and office space and equipment, achievement of a harmonized and seamless functioning of public service staff from different contexts. Some of these challenges were addressed through training and hiring of technical staff. Also, the collaboration with relevant departments ensured that the challenge of office space and infrastructure was gradually being addressed.
- 194.** The office will continue to ensure that every effort is made to institute a productive and effective Public Service in the County. In addition, the Office of the County Secretary will endeavor to implement the institution of a strategic focus to achieving an upward trend in the development of the County.
- 195.** The office was allocated Ksh. 53.5 M. This constituted 1.0% of the total budget. The budget for the department was divided as follows;

**Table36: Office of the County Secretary allocation analysis by economic classification**

<b>SNO</b>	<b>Description</b>	<b>Amount (Mil)</b>	<b>Percentage</b>
1	Personnel Cost	26.5	49.5%
2	Operations and maintenance	27	50.5%
	<b>Total</b>	<b>53.5</b>	<b>100.0%</b>

**Figure 32: Office of the County Secretary analysis**

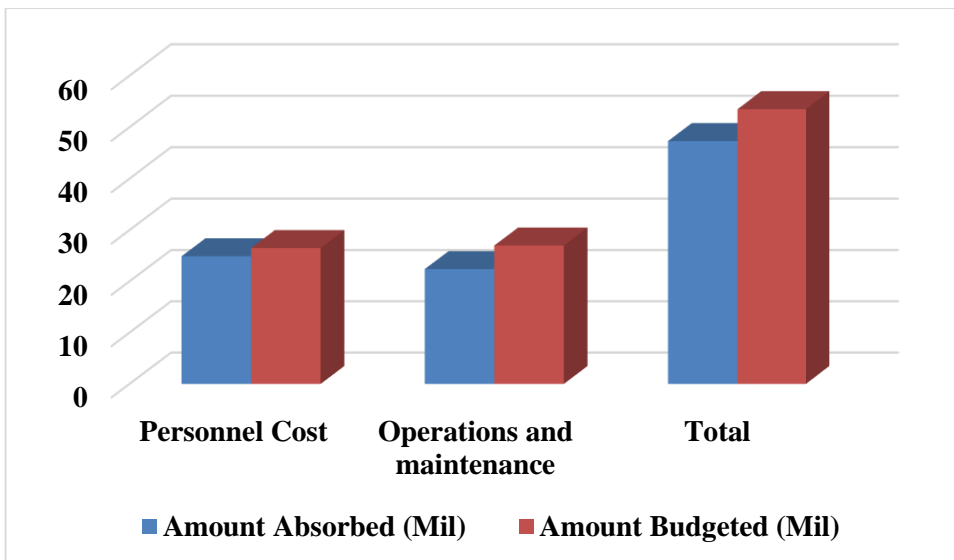


196. Personnel emoluments vote allocation accounted for 49.5% compared to O&M’s 50.5%.

**Table 37: Office of the County Secretary absorption level**

No	Description	Amount Absorbed (Mil)	Amount Budgeted (Mil)	%Age Against Allocation
1	Personnel Cost	24.9	26.5	94%
2	Operations and maintenance	22.4	27	83%
	<b>Total</b>	<b>47.3</b>	<b>53.5</b>	<b>88%</b>

**Graph 16: Office of the County Secretary absorption analysis**



197. The spending in Personnel Emoluments was 94% while Operations and Maintenance absorbed 83%. Total departmental absorption was 88%.

## 16. County Assembly

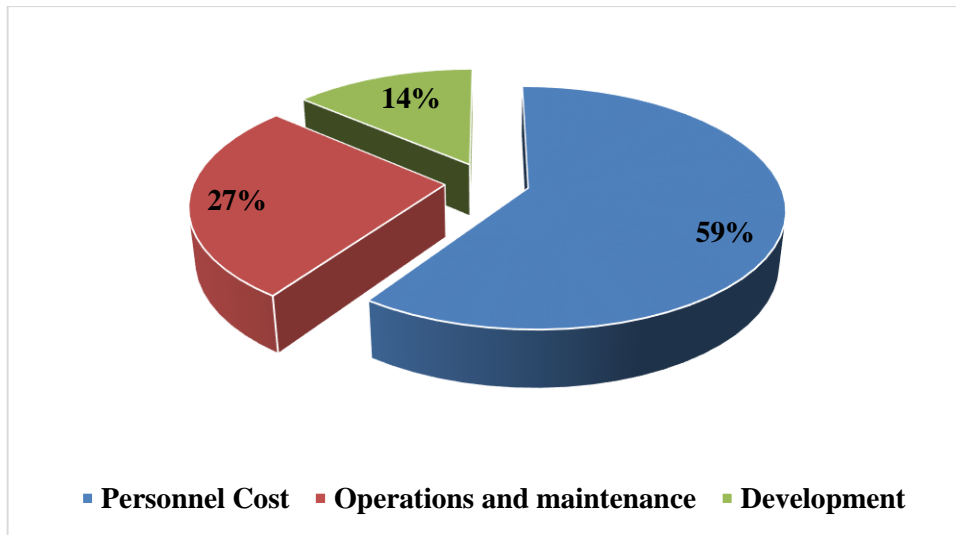
**198.** The County Assembly’s core functions are to develop legislation, perform oversight and representation. The assembly is more committed to building an effective county assembly that is responsive to the needs of the people and that is driven by the ideals of realizing better quality of life for the people of Busia County. The assembly has the vision of being a modern County assembly that fulfills its constitutional mandate and effectively serves the people of Busia County.

**199.** The County Assembly was allocated Kshs. 734.6. This accounted for 10% of the total county budget. The budget allocation was distributed as follows;

**Table 38: County Assembly allocation analysis by economic classification**

SNO	Description	Amount	Percentage
1	Personnel Cost	438.1	59%
2	Operations and maintenance	195.7	27%
3	Development	100.8	14%
	<b>Total</b>	<b>734.6</b>	<b>100%</b>

**Figure18: County Assembly allocation analysis**

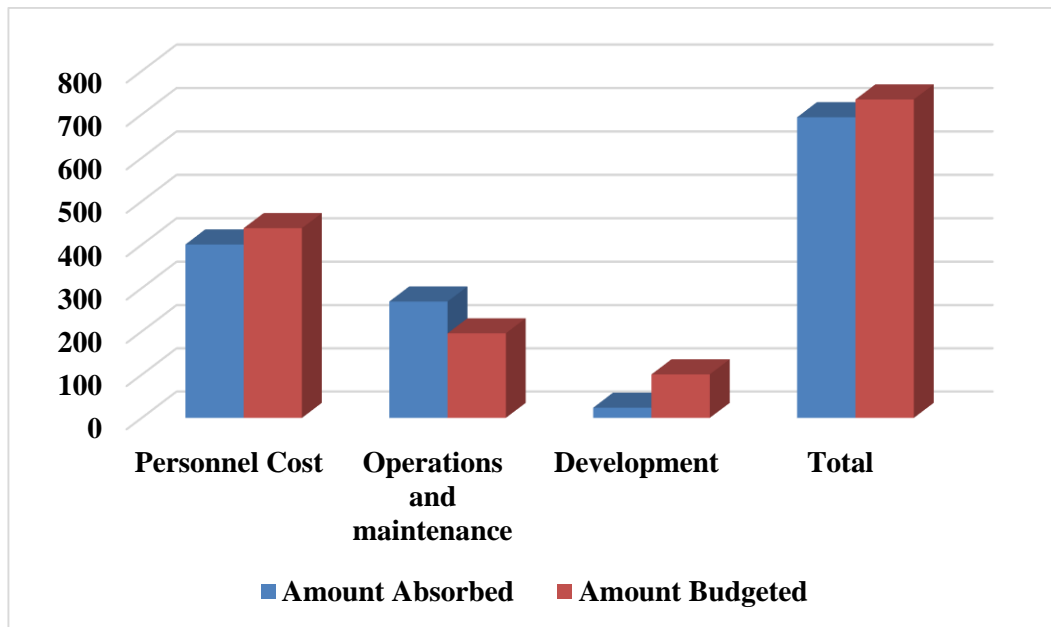


**200.** The Personnel vote got the highest allocation at 59% followed by Operations and Maintenance which had an allocation of 27%. Development cost allocation took the least allocation of 14 %.

**Table 39: County Assembly absorption level in Millions**

No	Description	Amount Absorbed	Amount Budgeted	%Age Against Allocation
1	Personnel Cost	400.7	438.1	91%
2	Operations and maintenance	269.3	195.7	138%
3	Development	23.7	100.8	24%
	<b>Total</b>	<b>693.7</b>	<b>734.6</b>	<b>94%</b>

**Figure 19: County Assembly absorption analysis**



**201.** Operations and Maintenance absorption was over expended at 138%. However, the County Assembly utilized only 24% of their development funds. Personnel cost was at absorption rate of 91%.

**ANNEX 1: PROPOSED DEPARTMENTAL CEILINGS IN MILLIONS**

APPROVED BUDGET FY 2017/2018					PROPOSED BUDGET FY 2018/2019				PROPOSED BUDGET FY 2019/2020			
Department	EC	O&M	Dev	Total	EC	O&M	Dev	Total	EC	O&M	DEV	Total
Agriculture and Animal Resources	195.71	50.46	168.84	415.01	214.65	55.67	192.65	462.97	236.12	61.24	211.92	509.27
Economic Planning Trade, Cooperatives and Industrialization	41.98	32.55	73.9	148.43	46.18	35.77	112.32	194.27	50.80	39.35	121.71	211.86
Education and Vocational Training	172.13	120.8	150	442.93	189.34	91.64	237.23	518.21	208.00	100.80	252.3	561.10
Finance and ICT	283.64	667.66	64.6	1015.9	406.47	677.8	80.64	1,164.91	447.12	745.58	87.00	1279.70
Community, Culture Sports and Social Services	36.2	72.48	41.74	150.42	40.09	75.48	52.44	168.01	44.10	83.03	55.85	182.98
Roads, PublicWorks,Energy and Transport	62.1	51.98	678.034	792.114	68.31	57.19	814.24	939.74	69.08	62.91	863.18	995.17
Public ServiceMgt	35.06	35.5	0	70.56	107.24	28.04	0	135.28	117.96	30.84	0.00	148.81
Lands, Housing and Urban Development	42.19	70.34	163.66	276.19	46.41	84.07	151.07	281.55	48.25	90.90	157.01	296.16
Water Environment and Natural Resources	66.91	36.54	169.63	273.08	73.6	34.96	194.58	303.14	81.3	38.46	200.34	320.14
Health and Sanitation	1143.7	460.05	316.86	1920.61	1,281.23	473.05	333.25	2,087.53	1409.35	520.36	362.50	2292.21
County Public Service Board	31.27	44.14	0	75.41	34.4	48.55	0	82.95	46.59	53.41	0.00	100.00
The Governorship	203.7	300.57	39.8	544.07	177.87	358.31	77.55	613.73	195.66	357.83	83.05	636.54
The County Assembly	417.66	316.97	119.89	854.52	472.31	344.88	70	887.19	495.93	379.37	20	895.30
<b>TOTALS</b>	<b>2,732.25</b>	<b>2,260.04</b>	<b>1,986.95</b>	<b>6,979.24</b>	<b>3,158.10</b>	<b>2,365.41</b>	<b>2,315.97</b>	<b>7,839.48</b>	<b>3,450.29</b>	<b>2,564.06</b>	<b>2,414.86</b>	<b>8,429.21</b>

**ANNEX 2: DISBURSEMENT OF COOPERATIVE ENTERPRISE DEVELOPMENT  
FUND AS AT 31ST JUNE 2016**

	<b>NAME OF SOCIETY</b>	<b>APPROVED</b>	<b>DISBURSEMENT JUNE 2017</b>	<b>TOTAL REPAID AS AT JUNE 2017(P &amp; I)</b>	<b>TOTAL REPAID TO DATE</b>
A.	<b>MATAYOS SUBCOUNTY</b>				
1	Busia County Women Entrepreneurs SACCO Society Ltd	4,000,000	-	130,000	2,332,168
2	Farm View SACCO Society Ltd	3,000,000	3,000,000	1,253,073	3,251,250
3	Township Matayos SACCO Society Ltd	800,000	-	72,250	588,800
4	Busia Walemavu SACCO Society Ltd	1,000,000	-	-	45,010
5	Matayos Small Traders SACCO Society Ltd	1,000,000	-	-	470,750
6	Matayos Multipurpose Cooperative Society Ltd	500,000	-	-	67,860
7	BUSIA COUNTY ASSEMBLY SACCO	2,020,000	-	211,200	211,200
8	Matayosfsa	800,000	-	-	-
9	Pamaojamaende leo community sacco	505,000	-	71,000	71,000
10	ICS Fund Kenya Sacco	1,010,000	-	545,780	545,780
11	Busia Fish Traders Multi Purpose cooperatives	1,010,000	-	235,000	235,000
12	Visionary investment housing coop	1,010,000	505,000	199,375	199,375



13	Busia township bodabodasacco	1,515,000	59,000	430,000	430,000
14	BUNOTSA	1,010,000	-	500,500	500,500
15	Busia County bunge Sacco	1,010,000	-	135,000	135,000
16	BUTEICO cooperative	2,020,000	-	990,000	990,000
17	Busia kilimosacco	707,000	707,000	288,000	288,000
18	Burumba Ward women sacco	1,700,000	1,700,000	255,000	255,000
19	Busia fruits and vegetables coop	500,000	500,000	-	-
20	Busia loacl poultry	800,000	400,000	-	-
21	Matayosbidiisacco	2,300,000	1,500,000	-	-
21	<b>TOTAL</b>	<b>28,217,000</b>	<b>8,371,000</b>	<b>5,316,178</b>	<b>10,616,693</b>
B	<b>SAMIA SUBCOUNTY</b>				
1	FunyulaHazina Women SACCO Society Ltd	3,500,000	-	42,000	1,926,504
2	Samia Fish Farmers cooperative Society Ltd	1,000,000	-	-	351,667
3	Luanda Cotton Farmers Cooperative Union	4,000,000	-	-	-
4	Funyulafsa	1,818,000	-	-	208,000
5	Funyula business community sacco	505,000	255,000	125,926	125,926
6	Nanapofa Sacco	505,000	255,000	158,400	158,400
7	Funyula dairy farmers coop	660,000	275,000	-	-
8	Abamunyitisacco society	500,000	300,000	-	-
8	<b>TOTAL</b>	<b>12,488,000</b>	<b>1,085,000</b>	<b>326,326</b>	<b>2,770,497</b>

<b>C</b>	<b>TESO NORTH SUBCOUNTY</b>				
1	Baco SACCO Society Ltd	1,010,000	-	180,624	812,672
2	JairosFarmers Cooperative Society Ltd	1,010,000	-	570,000	727,570
3	Aturet Farmers SACCO Society Ltd	4,000,000	-	-	316,400
4	Teso north youth sacco	1,010,000	205,000	432,200	432,200
5	Malaba women sacco	505,000	205,000	219,500	219,500
6	Ojok housing cooperative society	500,000	-	54,000	54,000
7	Busia north secondary schools sacco	1,010,000	-	363,600	363,600
8	Kakaabosacco society	500,000	300,000		
8	<b>TOTAL</b>	<b>9,545,000</b>	<b>710,000</b>	<b>1,819,924</b>	<b>2,925,942</b>
<b>D</b>	<b>TESO SOUTH SUBCOUNTY</b>				
1	Chamubodabod asacco	3,000,000	-	-	1,598,000
2	Adungosi dairy farmers cooperative	500,000	250,000	-	-
3	Katamakis women farmers coop	500,000	300,000	-	-
4	Uzimasacco	500,000	300,000	-	-
	<b>TOTAL</b>	<b>4,500,000</b>	<b>850,000</b>	<b>-</b>	<b>1,598,000</b>
<b>E</b>	<b>BUNYALA SUBCOUNTY</b>				
1	Bunyala Farmers Rural SACCO Society Ltd	500,000	-	-	172,028
2	Bunyala Farmers Grain Out Growers Cooperative	3,400,000	-	-	872,000

	Society Ltd				
3	Farmers Link Cooperative Society Ltd	2,000,000	-	-	250,000
4	Bunyalafsa	1,818,000	-	108,000	108,000
5	Osieko youth sacco	1,000,000	-	67,500	67,500
6	MaendeleoBun yala Sacco	2,020,000	1,770,000	271,250	271,250
7	Bunyalabodabodasacco	700,000	500,000	-	-
8	PamojaGisesacco	200,000	200,000	-	-
8	<b>TOTAL</b>	<b>11,638,000</b>	<b>2,470,000</b>	<b>446,750</b>	<b>1,740,778</b>
F	<b>BUTULA SUBCOUNTY</b>				
1	Butula Dairy Farmers Cooperative Society Ltd	4,000,000	-	-	184,040
2	Marachi East Poultry Cooperative Society Ltd	1,400,000	-	11,400	33,100
3	MaendeleoMas hinani Rural SACCO Society Ltd	1,000,000	-	-	30,000
4	Butula Women Rural SACCO Society Ltd	500,000	-	14,000	289,190
5	Bumala Vehicle Stage Operators SACCO Society Ltd	1,000,000	-	10,000	562,010
6	Butulafsasacco	1,818,000	-	78,000	78,000
7	Busama Sacco	1,000,000	500,000	67,500	67,500
8	Marachi East Traders Sacco	707,000	182,000	75,300	75,300
9	Butulasmesacco	500,000	300,000	-	-
10	Kingandolemaendeleoyawanawakesacco	400,000	300,000	-	-

11	Butula young entrepreneur sacco	300,000	300,000	-	-
11	<b>TOTAL</b>	<b>12,625,000</b>	<b>1,582,000</b>	<b>256,200</b>	<b>1,319,140</b>
<b>G NAMBALE SUBCOUNTY</b>					
1	Nambale Dairy Farmers Cooperative Society Ltd	1,420,000	-	-	184,131
2	Nambale Cotton Farmers Cooperative Union	4,000,000	-	-	163,646
3	Nambale Pond Fish Farmers Cooperative Society Ltd	1,000,000	-	36,000	151,300
4	Nambale Tosha Women SACCO Society Ltd	500,000	-	13,000	67,020
5	Nambalefsa	1,313,000	-	40,000	40,000
6	Tanagakona commercial village farmers cooperative	1,010,000	400,000	68,000	68,000
7	Western travellers sacco	1,000,000	3,600,000	409,050	409,050
8	Bukhayo north/walatsesa sacco	505,000	205,000	97,850	97,850
9	Nambaleboresh sacco	300,000	300,000	-	-
10	ACK Nambale Diocese women sacco	500,000	500,000	-	-
11	Nambalebodabodasacco	1,000,000	1,000,000	-	-
11	<b>TOTAL</b>	<b>12,548,000</b>	<b>6,005,000</b>	<b>663,900</b>	<b>1,180,997</b>
71	<b>GRAND TOTAL</b>	<b>91,561,000</b>	<b>21,073,000</b>	<b>8,829,278</b>	<b>22,152,047</b>

### ANNEX 3: PROPOSED 2016/2017 BURSARY ALLOCATION PER WARD

Sub County	Proposed 2016/2017 Bursary Allocation Per Ward and Disbursed:		
Teso North	Ward	Ward Population	Amount Allocated (Ward Fund And Mainstream).
	Malaba Central	<b>25912</b>	2,642,833
	Malaba North	13765	2,032,707
	Angurai South	20791	2,396,159
	Angurai North	23400	4,044,571
	Angurai East	15549	2,060,814
	Malaba South	19250	2,245,459
	<b>Sub Total</b>	<b>118667</b>	<b>15,422,544</b>
<b>Nambale</b>	Nambale Township	32293	3,172,391
	Bukhayo North	22459	2,522,911
	Bukhayo East	21696	5,365,537
	Bukhayo Central	18189	2,152,191
	<b>Sub Total</b>	<b>94637</b>	<b>13,213,030</b>
<b>Teso South</b>	Angorom	<b>26162</b>	2,733,683
	Chakol South	31571	3,001,616
	Chakol North	18655	2,282,736
	Amukura West	17425	2,203,253
	Amukura East	23357	2,580,845
	Amukura Central	20756	2,712,940
	<b>Sub Total</b>	<b>137926</b>	<b>15,515,073</b>
<b>Matayos</b>	Bukhayo West	33480	2,272,648
	Mayenje	9170	1,735,882
	Matayos South	30874	2,357,426
	Busibwabo	11328	1,843,201
	Burumba	26493	2,479,669
	<b>Sub Total</b>	<b>111345</b>	<b>10,688,825</b>
<b>Samia</b>	Namboboto/Nambuku	28143	2,871,279
	Nangina	20193	2,149,246
	AgengaNanguba	25378	2,403,977
	Bwiri	19783	2,004,252
	<b>Sub Total</b>	<b>93497</b>	<b>9,428,754</b>
<b>Bunyala</b>	Bunyala Central	10381	1,775,160
	Bunyala North	20948	2,383,113
	Bunyala West	21237	2,396,136
	Bunyala South	14157	1,897,560

	<b>Sub Total</b>	<b>66723</b>	<b>8,451,970</b>
Butula	Marachi West	20211	2,381,387
	King'andole	18270	2,158,327
	Marachi Central	19816	2,356,344
	Marachi East	20865	2,316,851
	Marachi North	24054	2,525,035
	Elugulu	18654	1,182,672
	<b>Sub Total</b>	<b>121870</b>	<b>12,920,615</b>
	<b>Governor's Office</b>		1,328,392
	<b>Deputy Governor Office</b>		1,207,692
	<b>GRAND TOTAL</b>	<b>744,665</b>	<b>88,176,895</b>

**ANNEX 4: DISBURSEMENT OF AGRICULTURAL DEVELOPMENT FUND AS AT 31<sup>ST</sup> JUNE 2016**

<b>Sub County</b>		<b>Ward</b>	<b>Ward Population</b>	<b>Amount Awarded in Kshs.</b>
<b>Teso North</b>	1	Malaba Central	<b>25912</b>	1,069,900
	2	Malaba North	13765	887,600
	3	Angurai South	20791	852,700
	4	Angurai North	23400	1,164,000
	5	Angurai East	15549	892,080
	6	Malaba South	19250	561,800
		<b>Sub Total</b>	<b>118667</b>	<b>5,428,080</b>
<b>Nambale</b>	7	Nambale Township	32293	894,100
	8	Bukhayo North	22459	808,200
	9	Bukhayo East	21696	855,600
	10	Bukhayo Central	18189	530,800
			<b>Sub Total</b>	<b>94637</b>
<b>Teso South</b>	11	Angorom	26162	832,550
	12	Chakol South	31571	551,500
	13	Chakol North	18655	619,800
	14	Amukura West	17425	837,500
	15	Amukura East	23357	500,500
	16	Amukura Central	20756	1,054,000
		<b>Sub Total</b>	<b>137926</b>	<b>4,395,850</b>
<b>Matayos</b>	17	Bukhayo West	33480	332,200
	18	Mayenje	9170	596,000
	19	Matayos South	30874	588,650
	20	Busibwabo	11328	545,910
	21	Burumba	26493	693,500
		<b>Sub Total</b>	<b>111345</b>	<b>2,756,260</b>
<b>Samia</b>	22	Namboboto/Nambuku	28143	916,400
	23	Nangina	20193	1,161,100
	24	Agenga Nanguba	25378	663,210
	25	Bwiri	19783	525,200
			<b>Sub Total</b>	<b>93497</b>
<b>Bunyala</b>	26	Bunyala Central	10381	870,250
	27	Bunyala North	20948	724,960
	28	Bunyala West	21237	968,700
	29	Bunyala South	14157	1,091,100
		<b>Sub Total</b>	<b>66723</b>	<b>3,655,010</b>

<b>Butula</b>	30	Marachi West	20211	906,140
	31	King'andole	18270	521,400
	32	Marachi Central	19816	380,350
	33	Marachi East	20865	1,481,420
	34	Marachi North	24054	686,720
	35	Elugulu	18654	719,750
		<b>Sub Total</b>	<b>121870</b>	<b>4,695,780</b>
		<b>GRAND TOTAL</b>	<b>744,665</b>	<b>27,285,590</b>