

REPUBLIC OF KENYA

COUNTY GOVERNMENT OF BUSIA

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

FY 2018/2019

DEPARTMENT OF FINANCE, ECONOMIC PLANNING & ICT

SEPTEMBER 2019

FOREWARD

It is with great pleasure that the County Treasury presents the County Budget Review and Outlook Paper (CBROP 2019) for Busia County government for the FY 2018/19. This report has been prepared in line with Section 118 of The Public Finance Management Act, 2012 and in accordance with the County budget calendar for the MTEF 2020/2021-2022/2023. The Busia County Budget Review and Outlook Paper (CBROP 2019) is the sixth to be prepared under the devolved governance structure. This review document focused on the fiscal year ending June 2019. This paper details the actual fiscal performance in the financial year 2018/19 compared to the budget appropriation for that year.

In FY 2018/19, Busia County Government total budget approved by the County Assembly amounted to Ksh. 8.826 Billion. This comprised of Ksh. 5.15 Billion (58 per cent) allocated to recurrent expenditure and Ksh. 3.67 Billion (42 percent) for development expenditure. The county expected to receive Ksh. 5.97 Billion as equitable share and Ksh. 728.8 Million as conditional grants, Ksh.452.5 Million from own source revenue and balance brought forward from FY 2017/18 of Ksh.1.68 Billion.

The county government is committed to ensuring prudent management of public resources in order to ensure the citizens get value for money. Specifically the county treasury will continue to aggressively monitor and guide implementation of development programmes by all departments thereby improving service delivery.

It is therefore imperative for all departments to adhere to the tentative budget ceilings and rationalize all expenditures and ensure they are aligned to the achievement of the county development programmes.

As departments embark on the FY 2020/2021 budget estimates preparation, departments should adopt programme based budgeting framework to plan for those activities geared towards the realization of the strategic objectives of the county. In particular, emphasis should be put on programmes that are highly visible and with great impact on service delivery while ensuring that citizens get value for money. The budget ceilings and priorities for the FY 2020/2021 will be firmed up in the County Fiscal Strategy Paper 2020.

Hon. Phaustine A. Barasa.

Ag.County Executive Committee Member – Finance, Economic Planning & ICT

ACKNOWLEDGEMENT

The County Budget Review and Outlook Paper (CBROP) 2019 is prepared in accordance with the Public Financial Management Act, 2012 section 118. The successful preparation of this document was achieved through collaborative effort of the County Treasury officers.

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

The attainment of this document was made possible with the inputs from the departmental heads. May I take this chance to thank each member of the departmental heads through their respective Chief Officers who provided valuable inputs and comments on the performance for the year under review. Further I wish to acknowledge the continuous submission of views and suggestions from stakeholders and the public in the course of various stages of the CBROP 2019 Preparations process.

Finally, I take this chance to appreciate the efforts of the county treasury (Budget and Economic Planning) staff in coordination and compilation of the final document. Special thanks goes to Ag Director of Budget and Economic Planning Mr. Korir Kelong for his exemplary leadership during the entire process, Mr. Hudson Mugendi, Mr. Nicholas Mutua Kiema, Mr. Benard Onunga, Mr. Isaac Enaga, Mr. Amos Immoh, Mr. William Chepkwony, Ms. Cynthia Amaase, Mr. Abdallah Issa, Leonard Isogol and Duncan Oburai for their commitment and steadfastness throughout the process of compilation.

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

Omoit Iseren Priscah

Ag. Chief Officer – Finance, Economic Planning & ICT

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ABBREVIATIONS AND ACRONYMS

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

Table 1: Legal Basis of CBROP

Legal Basis for the Publication of the County Budget Review and Outlook Paper
The County Budget Review and Outlook Paper is prepared in accordance with Section 118 of

the Public Finance Management Act, 2012. The law states that:

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

Table 2: Fiscal Responsibility Principles in The PFM Law

Fiscal Responsibility Principles in the Public Financial Management Law

In line with the Constitution, the Public Finance Management (PFM) Act, 2012 sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section107) states that:

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

I. INTRODUCTION

Objectives of County Budget Review and Outlook Paper (CBROP)

1. The main objectives of the CBROP 2018 are;
 - a) To provide an analysis of actual fiscal performance in the FY 2018/2019 compared to the budget appropriation for that year.
 - b) This 2018 CBROP is a key document in linking policy, planning and budgeting. The department's priority submission is in line with County Integrated Development Plan (CIDP) 2018-2022. This year's CBROP is embedded on the priorities of the county government while taking on board emerging challenges while implementing the devolved system of government
 - c) As required by the PFM Act, 2012, budget process aims to promote the efficient and effective use of resources, based on evidence and rational deliberation. To achieve this, CBROP 2019 has provided the proposed departmental ceilings as guided by the overall resource envelope. The ceilings set in motion the budget preparation for the FY 2020/21 and the medium term.
 - d) To provide updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP).
 - e) To provide information on any changes in the forecasts compared with the County Fiscal Strategy Paper; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest CFSP; and
 - f) To give the reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.
 - g) Further, the 2018 CBROP details appropriate revisions taking into account the deviations and budget outturn for the FY 2018/19. In addition, the fiscal outlook contained in this CBROP focuses on reforming the tax and revenue administration systems to enhance revenue collections and promote compliance as indicated in the FY 2019 CFSP.

Legal Framework

2. The County Budget Review and Outlook paper (CBROP 2019) is prepared in line with the Public Finance Management Act, 2012 section 118. The Act requires that every county prepares a CBROP by **30th September** of that financial year and submit the same to the County Executive Committee (CEC). The CEC shall in turn:
 - i. Within fourteen days after submission, consider the CBROP with a view to approving it, with or without amendments. Not later than seven days after the CEC has approved the paper, the county treasury shall.

- a) Arrange for the paper to be laid before the county Assembly.
- b) As soon as practicable after having done so, publish and publicize the Paper.

II. REVIEW OF FISCAL PERFORMANCE FOR THE FY 2018/2019

Overview

3. This section presents an overview of the financial analysis, performance and implementation of the budget for the financial year 2018/2019.
4. The fiscal performance in 2018/19 was fairly satisfactory, despite the challenges with shortfall in revenues and mounting expenditure pressures with limited structures in the county.
5. Implementation of 2018/2019 budget was faced several challenges:
 - a. Low absorption of development expenditure.
 - b. Underperformance of actual local revenue collections against the planed projection. The actual local revenue collection was Kshs. 302.55 Million against a projection of Kshs. 452.5 Million. However, this performance was an improvement from Kshs. 176.3 Million reported in the FY 2017/2018 representing 71% increment.
 - c. Rising wage bill (Compensation of employees) which stood at Ksh 2.92 Billion in FY 2018/2019 compared to Ksh.2.54 Billion reported in the FY 2017/2018 representing a 15% increment.

FY 2018/2019 Financial Analysis of the County Budget

Revenue Analysis

6. In FY 2018/19, the total approved budget amounted to Ksh. 8.826 billion. This comprised of Ksh. 5.152 billion (58.37 per cent) allocated to recurrent expenditure and Ksh. 3.674 billion (41.63 per cent) for development expenditure. The development expenditure increased by 53.08%.
7. In order to finance the budget, Busia County expected to receive Ksh. 5.966 billion as equitable share of revenue from Exchequer, Ksh. 728.8 Million as total conditional grants from the National Government, generate Ksh. 452.520 Million from local sources, and Balances brought forward from FY 2017/2018 amounting to Ksh. 946.5 Million.
8. The conditional grants for 2018/2019 comprised of Ksh. 86.2 Million for World Bank Loan for Transforming Health Systems for Universal Care, Ksh. 157.08 Million from

the Road Maintenance Fuel Levy Fund, Ksh. 61.96 Million Grant for Development of Youth Polytechnics, Ksh. 16.93 Million for compensation of User Fees Foregone, Ksh. 19.54 Million from DANIDA , Ksh. 47.39 Million from World Bank (KDSP) capacity building , Ksh. 101.07 Million for Kenya Urban Support Programme (Development), Ksh. 41.20 Million for Kenya Urban Institutional Grant , Ksh. 117.0 Million for Kenya Climate Smart Programme and Ksh. 80.0 Million for Water Tower Protection and Climate Change Mitigation.

Local Revenues

9. The total county annual local revenue target for Busia County in FY 2018/19 was Ksh. 452.5 Million. During the reporting period, the county generated a total of Ksh. 302.55 Million, which was 67% of the annual target. **However, this was a 71% improvement from the FY 2017/18 of Kshs. 176.3 Million to Kshs. 302.55 Million in the FY 2018/2019.** The Revenue from own sources performed dismally falling short of target by Ksh. 126.05 Million.
10. The monthly local revenue collection in FY 2017/18 and FY 2017/18 is shown in the table below.

Table 3: Actual Monthly Local Revenue-FY 2017/2018 and FY 2018/2019

FY	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	Totals
2017/2018	13.14	9.11	9.92	11.32	9.7	12.87	17.32	16.63	19.48	23.13	17.7	15.98	176.29
2018/2019	17.48	16.94	21.01	22.50	18.70	20.04	21.28	23.51	30.25	33.74	29.44	47.64	302.55

Graph 1: Monthly Local Revenue- FY 2017/2018 and 2018/2019 (Mill. Ksh.)

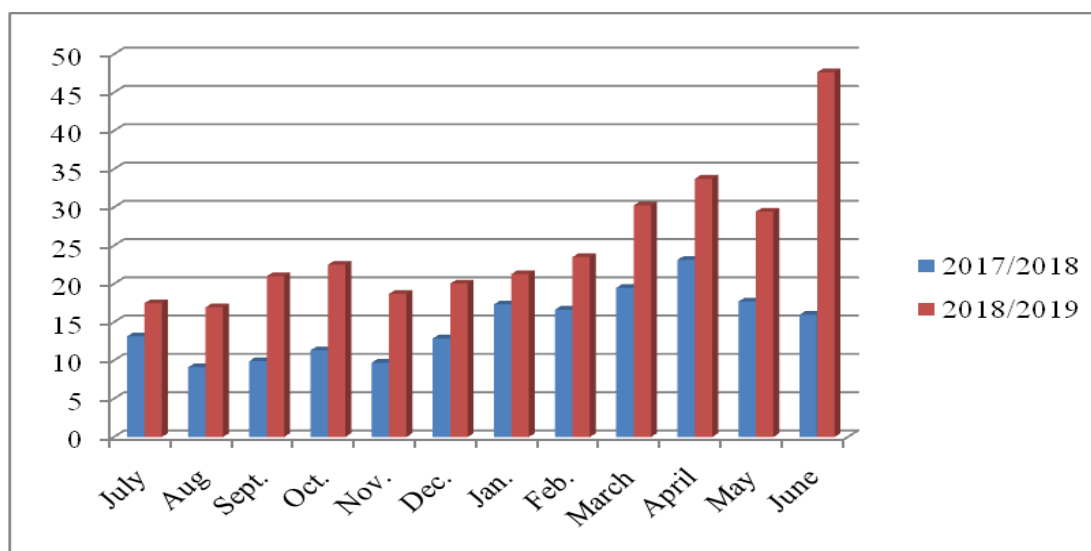


Table 4: Local Revenue Collection per Quarter 2017/2018-2018/2019

N0	Quarter	Amount Collected (Ksh. Millions)	
		2017-2018	2018-2019
1	1 st Quarter	32.17	55.43
2	2 nd Quarter	33.89	61.25
3	3 rd Quarter	53.43	75.04
4	4 th Quarter	56.8	110.83
TOTAL		176.29	302.55

Source: County Treasury

Graph 2: Local Revenue Collection per Quarter 2017/2018 & 2018/2019 (Millions)

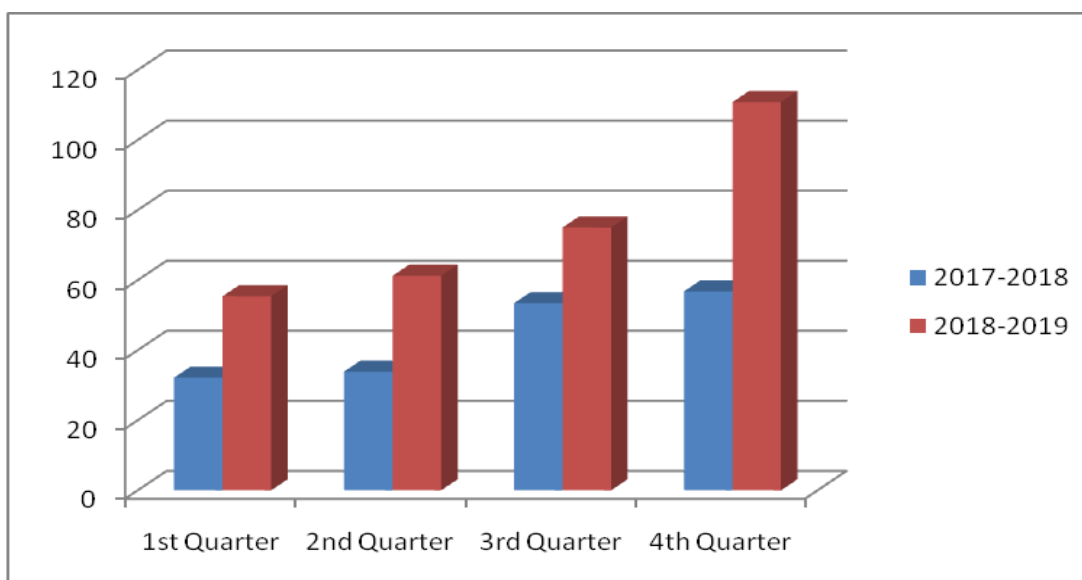


Table 5: Total County Resource Envelope for FY 2018/2019 (Ksh. Millions)

Department	Revenue Sources	Approved Budgeted (Mill)	Actual (Mill)	Variance (Mill)
Administrative Services	Administration charges	0.032878	0.277	0.244122
	Application/Tender/Approval/Transfer fees	0	0	0
	Impounding/ Clamping fees	0.108	0.495652	0.387652
	Penalties and in illegal cuttings	0	0	0
Sub-Total		0.140878	0.772652	0.631774
Agriculture & Animal Production	Sugarcane cess	2.7	3.796328	1.096328
	Fish cess	3.24	3.027433	-0.212567
	Tractor hire services	4.774331	0.4385	-4.335831
	Agricultural Training College (ATC) Busia	2.7	3.601415	0.901415
	Veterinary services	2.484	1.70392	-0.78008
	Stock Sale	4.550342	3.5941	-0.956242
	Fish traders license	0.1	0.23835	0.13835
	Fish movement permit	0.9072	0.0529	-0.8543
	Fisherman license	0.06534	0.22645	0.16111
	Registration of boat license	0.54	0.0092	-0.5308
	Wakhungu fish farm	0.653846	0.0114	-0.642446
	Fish import permit	1.232185	0.27294	-0.959245
	Agricultural Machinery Services (AMS)	0.2	0.04	-0.16
	Fingerlings sells	0.156166	0.007	-0.149166
	Fisheries Department	0	0	0
Sub Total		24.30341	17.019936	-7.283474
Community	Hire of Hall/Social/office	0.04262	0.119	0.07638

Dev, Children & Social Services	Liquor License	4.2	4.8633	0.6633
	Group registration	0.0594	0.015	-0.0444
	Office rent	0	0	0
Sub-Total		4.30202	4.9973	0.69528
Education & Vocational Training	Registration of ECD	0.04939	0.017	-0.03239
	Nursery fees	0	0	0
Sub-Total		0.04939	0.017	-0.03239
Health	Mortuary / burial fees	0.7128	1.28	0.5672
	Slaughter fees	1.6605	0.83	-0.8305
	Hospital User fees	84.366607	74.53	-9.836607
	Public Health	1.85	3.21	1.36
	Toilet fees	0		0
	Solid waste collection	0		0
	Maternity fees	0		0
	Health Sector Fund	13.4784	0	-13.4784
Sub-Total		102.068307	79.85	-22.218307
Lands, Housing & Urban Developmen t	Sub-Division (land)	0.6	0	-0.6
	Advertisement	2.818879	10.06	7.241121
	Contribution in lieu of Rates (CILOR)	0	0	0
	Land Rates (Site value rates/Ground rent)	1.5	0.76	-0.74
	Land rate collection/arrears	0.04	0.09	0.05
	Plot Rent	2.808	2.43	-0.378
	Private Rental commercial	0.04158	0.84	0.79842
	Private rental domestic	0.648	0	-0.648
	Application of plans	3.3	0.26	-3.04
	Title deeds registration of documents search charges, attestation inspections	2.5	0.0015	-2.4985
	Building plans approval	0.862	3.1	2.238
		Rent/Government Houses	0	0.55
Sub-Total		15.118459	18.0915	2.973041
Roads, Transport and Public works	Motor Cycle Fees	0	0	0
	Trailer Parking fees	125.84	18.65	-107.19
	Bus Parking fees	37.8	29.59	-8.21
		0	0	0
Sub-Total		163.64	48.24	-115.4
Trade, Cooperative Devt, Tourism & Industry	Single Business Permits	71.644597	54.71	-16.934597
	Market stalls /kiosks income	1.62	0.91	-0.71
	Kiosk rent	-	0	0
	Markets fees	28.097832	19.83	-8.267832

	Transit Produce cess	24.773318	28.5	3.726682
	Stall rent	0	0	0
	Tobacco cess	3.502017	1.71	-1.792017
	Charcoal Fees	0	1.17	1.17
	Tourism	0.54	0	-0.54
	Stamping, Weighing & Measuring, Equipment Fines	2.08	0.33	-1.75
	Co-operative audit fees	0.54	0.11	-0.4356
Sub Total		132.797764	107.27	-25.533364
Water, Environment & Natural Resources	Sand cess	0.085	0.12	0.035
	Quarry cess	0.648	0	-0.648
	Busia Hills Water Supply	2.979885	0.24	-2.739885
	Busijo Water Supply	0.616105	0.31	-0.306105
	Butula Water Supply	1.17612	1.05	-0.12612
	Munana Water Supply	1.562658	0.22	-1.342658
	Port Victoria Water Supply	2.3328	1.36	-0.9728
	Noise	0.688068	0.2	-0.488068
	Water Booser	0	0.26	0.26
	Timber Cess	0	0	0
	Mining of natural resources	0	0	0
	Sale of county public trees	0	0	0
	Other Miscellaneous	0.011	22.49	22.48
Sub Total		10.10	26.25	16.15
	Total Revenue Local Sources	452.52	302.51	-150.02
National Government				
Balance B/F 2017/2018		946.5	932.74	-13.76
Equitable share		5,966.00	5,966	0
Universal health care		86.6	37.65	-48.95
Donor Funding:		-		
DANIDA 2018/2019		19.5	19.5	0
World Bank (KDSP-Recur)		47.4	0	-47.4
World Bank (KDSP-Dev)		0	111.31	111.31
Compensation For User Fees Foregone		16.93	16.93	0
Road Maintenance Fuel Levy 2018/2019		157.1	157.1	0
Grants for VTC		61.96	46.78	-15.18
Kenya Climate Smart Programme		117	41.15	-75.85
KUSP		101.1	101.1	0
Kenya Urban Institution Grant		41.2	41.2	0
Retention 2016/2017		14.4	14.4	0
Water Tower Protection and Climate Change Mitigation		80	0	-80
CRF 2017/2018		718.2	718.2	0

Sub-Total	8,373.89	8,204.06	-169.83
GRAND TOTAL	8,826.41	8,506.57	-319.85

Source: County Treasury

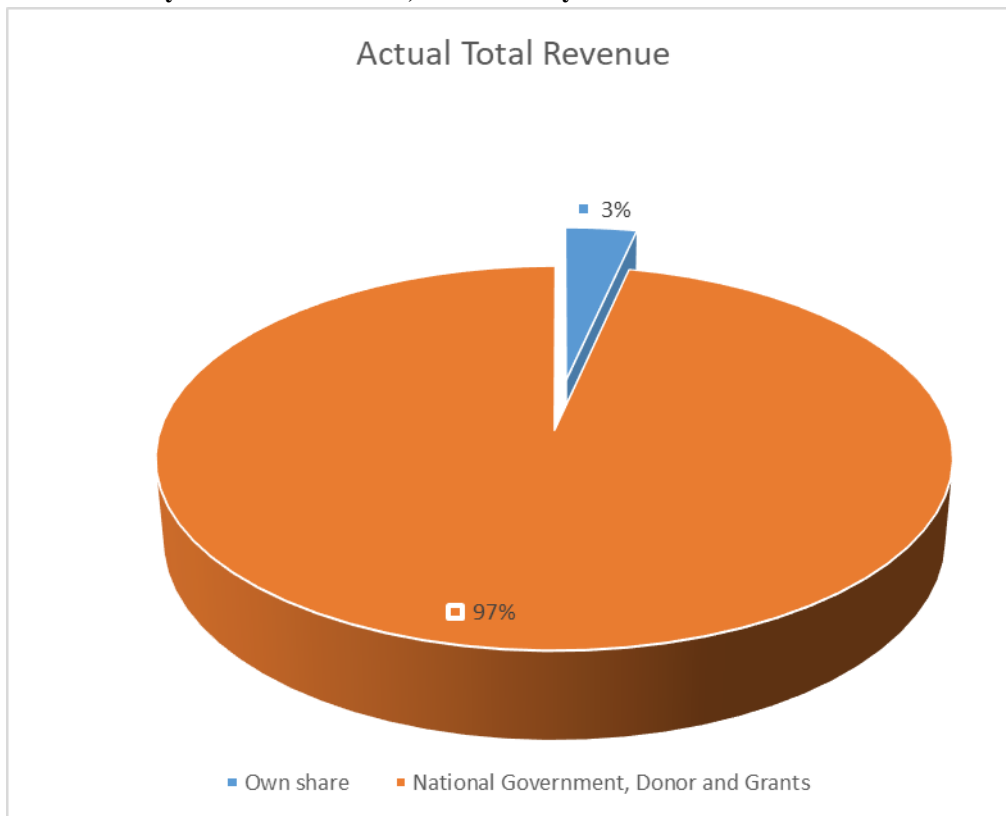
11. In FY 2018/2019 the highest contributor to local revenue was Single Business Permit which accounted for 18.08% of the total local revenue. This was followed by Bus parking fees and Trailer Parking fees which accounted for 9.78% and 6.16% respectively.

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

ACTUAL TOTAL REVENUE	
Own share	302.55
National Government, Donor and Grants	8,506.57
TOTAL	8,809.12

Source: County Treasury

Chart 1: Analysis of Total Revenue, Busia County



Expenditure Performance

12. The total actual expenditure for Busia County in FY 2018/19 was Ksh. 6.65 billion representing an absorption rate of 75.3% of the total Budget. This was a decrease from an absorption rate of 87.8 % attained in FY 2017/18.

13. Personnel expenditure for FY 2018/2019 was Ksh. 2.9 billion, representing an absorption rate of 99.1% of the annual Personnel Emolument budget.

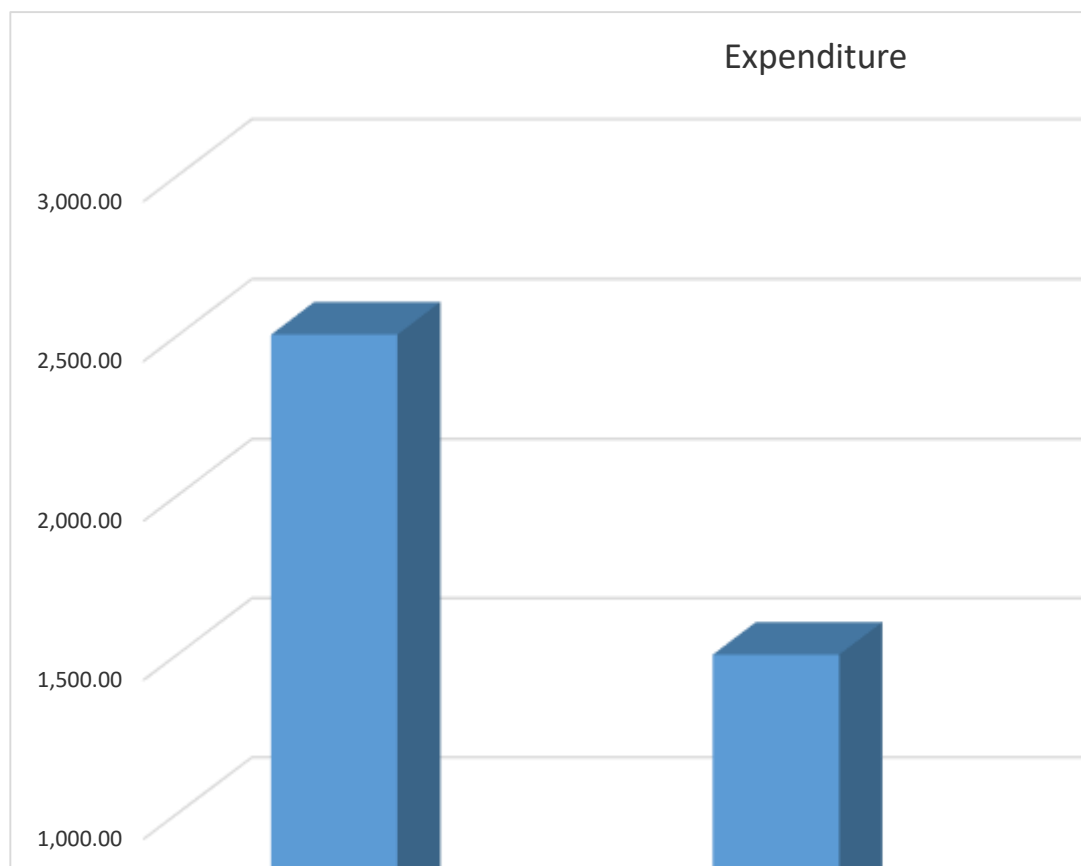
14. O& M expenditure for FY 2018/2019 was Ksh. 1.81 billion, representing 81.2% of the annual Operation & Maintenance budget.
15. Actual Development expenditure amounted to Ksh. 1.938 billion, representing an absorption rate of 53% of the annual development budget. The analysis of expenditure by economic classification in FY 2018/19 is provided in Table below.

Table 7: Summary of the Total County Expenditure (Millions)

Category	Budget Allocation	Expenditure			Percentage absorption
		Executive	Assembly	Total	
Employee Compensation	2,924.5	2,505.2	392.6	2897.8	99.1
Operation and Maintenance	2,228.0	1,501.6	308.3	1809.9	81.2
Development	3,674.0	1,906.6	31.2	1,937.8	53.0
Total Expenditure	8,826.5	5,913.4	732.1	6645.5	75.3

Source: County Departments and County Assembly

Graph 3: Analysis of Total Expenditure (Millions)



Source: County Departments and County Assembly

Departmental Expenditure Summary

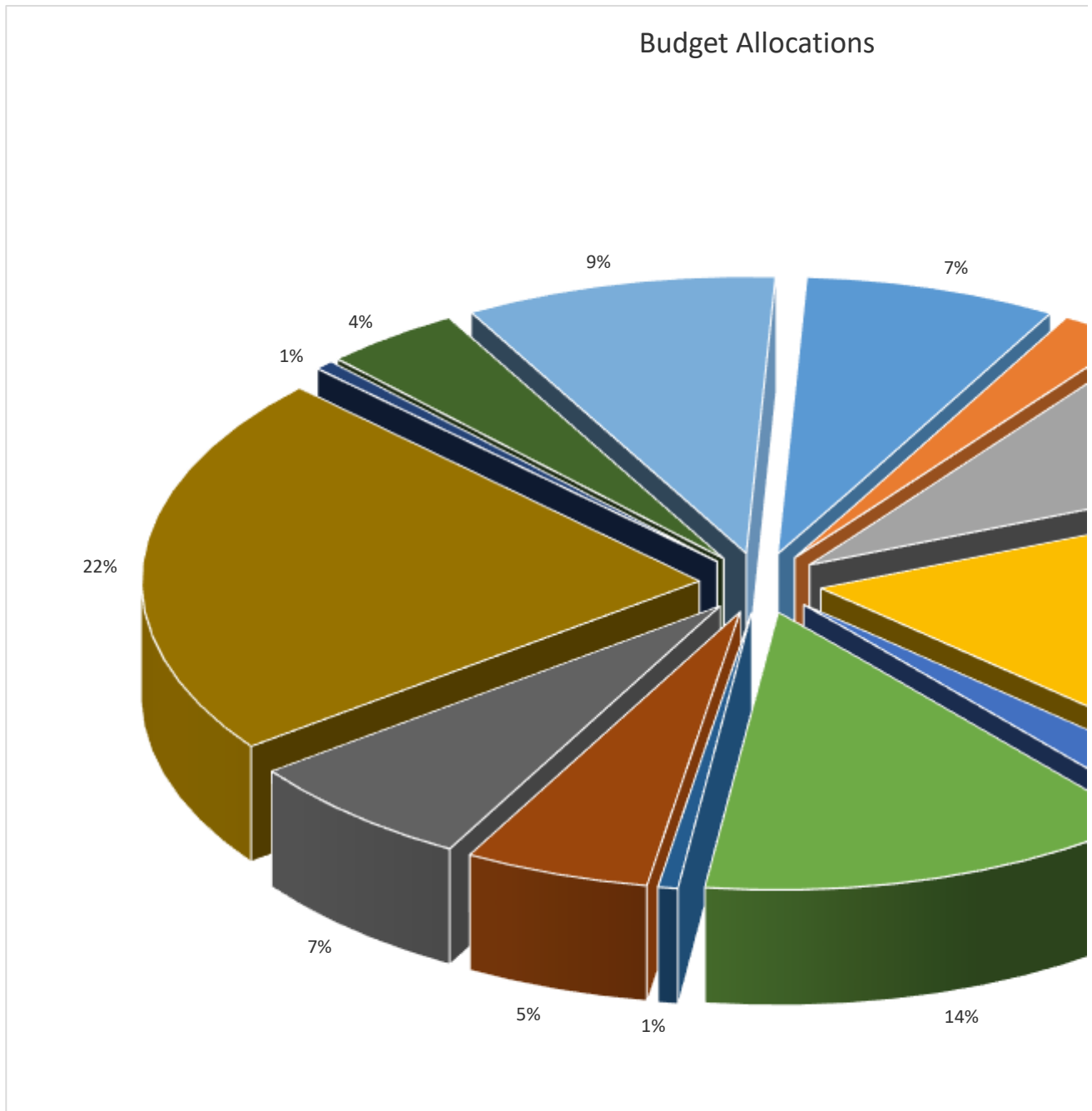
16. The following tables show a summary of departmental allocations and expenditures for the year under review.

Table 8: Departmental Budget Allocation for the period ending 30th June 2019
(Million)

DEPARTMENT	Employee Compensation (Mill)	O&M	Development (Mill)	Total Budget Allocation (Mill)	Percentage allocation
Agriculture and Animal Resources	182.3	54.1	420.1	656.5	7.4
Trade, Co-operatives, and Industrialization	35.1	23.9	138.0	197	2.2
Education and Vocational Training	204.8	271.4	275.1	751.3	8.5
Finance, Economic Planning & ICT	629	832.4	75.6	1,537.0	17.4
Youth, Sports, Tourism, Culture, and Social Services	25.2	51.7	110.6	187.5	2.1
Public Works, Roads, Transport and Energy	50	24.6	1,121.1	1,196.0	13.6
Public Service Management	24.1	26.5	0	50.6	0.6
Lands, Housing and Urban Development	37.2	77	360.1	474.3	5.4
Water, Environment and Natural Resources	66	60.2	473.5	599.7	6.8
Health and Sanitation	1,067.3	298.4	613.8	1,979.5	22.4
County Public Service Board	27	21.5	0	48.4	0.5
The Governorship	161.6	173	16.1	350.7	4
County Assembly	415.5	313	70.0	798.5	9.1
Total	2,924.5	2,228.0	3,674	8,826.5	100

Source: County Departments and County Assembly

Chart 2: Analysis of Approved Budget Allocation by Departments



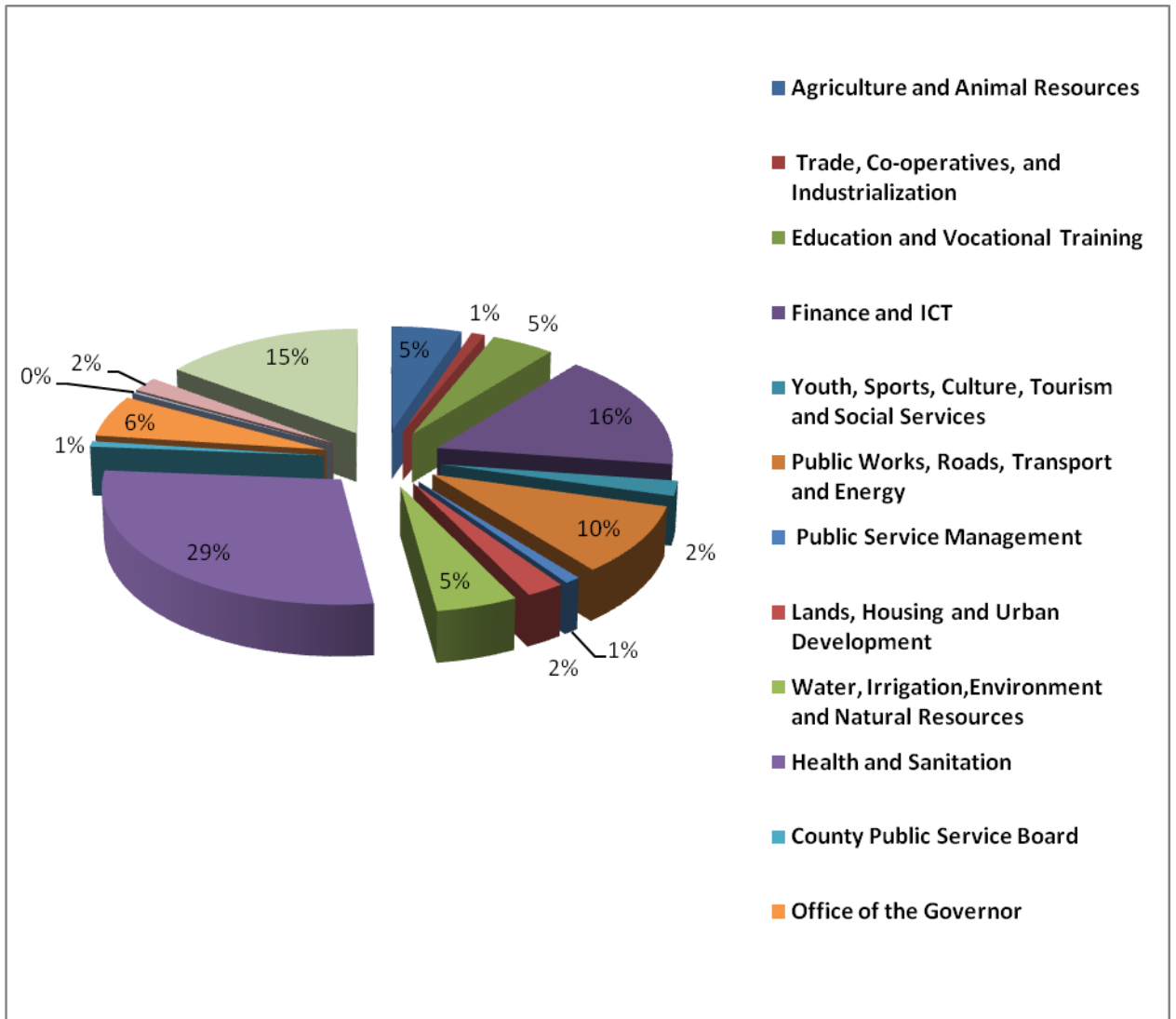
17. The total county allocation was Ksh. 8.826 B out of which Ksh. 3.67 Billion was development allocation, Ksh 2.23 Billion was operation and maintenance allocation and Ksh. 2.92 Billion was Personnel Emolument. The department of Health and Sanitation had the highest allocation at 22% followed by department of Finance Economic Planning & ICT which received 17% and Public works at 14%

Table 9: Analysis of Approved Budget Allocation by Departments

Departmental	Employee Compensation	O&M	Total Recurrent	Percentage Share of Total Recurrent	Development.	Percentage Share of Total Development.	Total Actual Expenditure
Agriculture and Animal Resources	182.3	54.1	236.4	4.6	420.1	11.4	400.7
Trade, Co-operatives, and Industrialization	35.1	23.8	58.9	1.2	138.0	3.8	89.1
Education and Vocational Training	204.8	271.4	476.2	9.2	275.1	7.5	531.8
Finance, Economic Planning and ICT	628.9	832.3	1461.4	28.4	75.6	2.1	1,336.0
Youth, Sports, Culture, Tourism and Social Services	25.2	51.7	76.9	1.5	110.6	3	183.6
Public Works, Roads, Transport and Energy	50	24.6	74.6	1.4	1,121.1	30.5	969.0
Public Service Management	24.1	26.5	50.6	1	0	0	45.3
Lands, Housing and Urban Development	37.1	77	114.1	2.2	360.1	9.8	101.3
Water, Irrigation, Environment and Natural Resources	65.9	60.2	126.1	2.4	473.5	12.9	302.4
Health and Sanitation	1,067.3	298.3	1,365.6	26.5	613.8	16.7	1,580.2
County Public Service Board	26.9	21.5	48.4	1	0	0	43.6
The Governorship	161.6	173	334.6	6.5	16.1	0.4	329.5
County Assembly	415.5	313	728.5	14.1	70.0	1.9	732.2
Total	2,924.7	2,228.0	5,152.3	100	3,674.0	100	6,644.5

Source: County Departments and County Assembly

Chart 3: Analysis of Approved Budget Expenditure by Departments



Source: County Departments and County Assembly

18. The total expenditure for county was Ksh 6.65 Billion against the approved budget of Ksh 8.826 Billion. This comprised of executive expenditure of Ksh 5.91 Billion and county assembly expenditure of Ksh 732.2 Million. Total recurrent expenditure was Ksh. 4.71 Billion against an approved budget of Ksh. 5.15 Billion while the development expenditure was Ksh. 1.94 Billion against an approved budget of Ksh. 3.67 Billion. The ratio of the actual expenditure to budgeted cost was 75.3%.
19. The Department of Youth, Sports, Tourism, Culture and Social Services, Governorship, County Assembly, Public Service Management and Finance, Economic, Planning & ICT accounted for the highest expenditure at 98%, 94%, 92%, 90% and 87% of the total County expenditure respectively.
20. On development budget the department of Community Development, Public works, Roads Transport and Energy accounted for the largest expenditure at 98.8% and 80.4%

respectively followed by Education and Vocational Training at 73.2% and Agriculture and Animal Resources at 46.1% of the total county development expenditure.

21. On recurrent budget, the department of Health and Sanitation accounted for the largest expenditure of the total recurrent expenditure at 99% followed by Governorship at 98%. Department of Youth, Culture, Tourism & Social Sciences and The County Assembly accounted for 97% and 96% of the total county recurrent expenditure.

Table 10: Analysis of Personnel Emolument Expenditure by all Departments

No.	Departmental Vote Title	FY 2018/2019			
		Budgetary Allocation (Ksh. Millions)	Actual Expenditure (Ksh. Millions)	Variation	Absorption %
1	Agriculture and Animal Resources	182.3	182.2	0.1	99.9
2	Trade, Co-operatives, and Industrialization	35.1	34.8	0.3	99.1
3	Education and Vocational Training	204.8	204.5	0.3	99.9
4	Finance, Economic Planning and ICT	628.9	628.9	0	100
5	Community Development, Culture, Sports and Social Services	25.2	24.8	0.4	98.4
6	Public Works, Roads, Transport and Energy	50	49.6	0.4	99.2
7	Public Service Management	24.1	23.3	0.8	96.7
8	Lands, Housing and Urban Development	37.1	36.9	0.2	99.5
9	Water, Environment and Natural Resources	65.9	65.1	0.8	98.8
10	Health and Sanitation	1,067.3	1,067.1	0.2	99.9
11	County Public Service Board	26.9	26.7	0.2	99.3
12	The Governorship	161.6	161.3	0.3	99.8
13	County Assembly	415.5	392.6	22.9	94.5
	TOTAL	2,924.7	2,897.8	26.9	99.1

Source: County Departments and County Assembly

Table 11: Analysis of Operation and Maintenance Expenditure by all Departments

No.	Departmental Vote Title	FY 2018/2019			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	54.1	25.0	29.1	46.2
2	Trade, Co-operatives, and Industrialization	23.8	15.9	7.9	66.8
3	Education and Vocational Training	271.4	125.8	145.6	46.4
4	Finance, Economic Planning and ICT	832.3	696.1	136.2	83.6
5	Community Development, Culture, Sports and Social Services	51.7	49.5	2.2	95.7
6	Public Works, Roads, Transport and Energy	24.6	18.7	5.9	76.0
7	Public Service Management	26.5	22.0	4.5	83.0
8	Lands, Housing and Urban Development	77	23.8	53.2	30.9
9	Water, Environment and Natural Resources	60.2	51.1	9.1	84.9
10	Health and Sanitation	298.3	288.7	9.6	96.8
11	County Public Service Board	21.5	16.9	4.6	78.6
12	The Governorship	173	168.1	4.9	97.2
15	County Assembly	313	308.3	4.7	98.5
15	Total Voted Expenditure	2,228.0	1,809.9	417.5	81.2

Source: County Departments and County Assembly

Table 12: Analysis of Development Expenditure by all Departments

No .	Departmental Vote Title	FY 2018/2019			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	420.1	193.5	226.6	46.1
2	Trade, Co-operatives, and Industrialization	138.0	38.5	99.5	27.9
3	Education and Vocational Training	275.1	201.5	73.6	73.2
4	Finance, Economic Planning and ICT	75.6	11.1	64.5	14.7
5	Community Development, Culture, Sports and Social Services	110.6	109.3	1.3	98.8
6	Public Works, Roads, Transport and Energy	1,121.1	901.2	219.9	80.4
7	Public Service Management	0	0	0	0
8	Lands, Housing and Urban Development	360.1	40.7	319.4	11.3
9	Water, Environment and Natural Resources	473.5	186.2	287.3	39.3
10	Health and Sanitation	613.8	224.5	389.3	36.6
11	County Public Service Board	0	0	0	0
12	The Governorship	16.1	0.08	16.02	0.5
13	County Assembly	70.0	31.2	38.8	44.6
	Total Voted Expenditure	3,674	1,937.8	1,736.22	52.7

Source: County Departments and County Assembly

22. The total absorption of development budget was 52.7%. Community Development, Culture, Sports and Social Services, Public Works, Roads, Transport and Energy, Education and Vocational Training utilized over 70% of their budgets. Low performers in this classification were Governorship, Lands, Housing and Urban Development, Finance, Economic Planning & ICT and Trade, Co-operatives & Industrialization at 0.5%, 11.3%, 14.7% and 27.9% respectively.

Emerging Challenges

- Over-dependence on exchequer funding as a result of under-performing revenue generating streams
- Understaffing in key technical departments and limited opportunities for refresher courses.
- Inadequate policies and regulations that operationalize implementation of some planned programmes.

23. In a bid to address the above challenges county government implemented development strategies and policy adjustments aimed at responding to the emerging challenges within the macro environment. These include:

- i. Automation of revenue collection along with identification of other unexploited revenue streams to expand the revenue base and development of strategic resource mobilization strategies in order to address the revenue shortfalls.
- ii. Pursuing prudent macro-economic policies specifically implementation of fiscal consolidation with careful attention not to compromise development spending. The county has undertaken adjustments on recurrent spending consistent with the PFM Act 2012 and regulations thereof regarding financial management.
- iii. Observing strict fiscal discipline with major emphasis placed on development programmes aimed at improving the livelihoods of the residents.
- iv. Strengthening institutional framework to contain vulnerabilities arising from external shocks. This includes establishing stop gap measures to mitigate any problems emanating from financial management systems.
- v. Enacting policies that are business responsive to the business environment; trade act and joint loan board act.
- vi. Promoting public participation in governance as envisaged in the Constitution of Kenya 2010 to enhance governance, transparency and accountability in the delivery of public goods and service.
- vii. Upgrading public infrastructure especially opening of roads to promote accessibility to markets and supply of key social amenities thereby boosting productivity within the labor market.

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

Recent Economic Developments

24. According to World Bank, Kenya's Real GDP grew at an estimated 5.9% in 2018, from 4.9% in 2017, supported by good weather, eased political uncertainties, improved business confidence, and strong private consumption. Real GDP is projected to grow by 6.0% in 2019 and 6.1% in 2020.
25. Domestically, improved business confidence and continued macroeconomic stability will contribute to growth. Externally, tourism and the strengthening global economy will contribute.
26. Kenya has made significant political, structural and economic reforms that have largely driven sustained economic growth, social development and political gains over the past decade.
27. However, it's key development challenges still include poverty, inequality, climate change and the vulnerability of the economy to internal and external shocks.
28. Kenya is one of the fastest growing economies in Sub-Saharan Africa. The economic expansion has been boosted by a stable macroeconomic environment, rebound in tourism, strong remittance inflows and a government led infrastructure development initiative.

Macro-Economic Environment

29. The size of Kenya's economy is projected to reach the Sh10.1 trillion mark in the FY 2019, the latest statistical estimates by the International Monetary Fund (IMF) have shown. This will mark the largest absolute expansion in recent years, with the gross domestic product (GDP) estimated to rise by Sh1.1 trillion from Sh9 trillion in 2018.
30. In percentage terms, the growth this year is estimated at 5.83 percent, a slight decrease from 5.95 percent last year. If the IMF projections hold out, Kenya's economy could grow to Sh15.7 trillion in 2023.
31. The country expects to start commercial oil exports by the year 2022, a move that is expected to boost the GDP considerably. A larger economy, coupled with strong growth in the coming years, means better prospects for expansion of jobs, labor earnings, investment opportunities and delivery of social services by the government.
32. However, the government needs to entrench macroeconomic stability to maintain the growth momentum. This will include maintaining low inflation, predictable interest rates and a conducive environment of policy stability to attract private sector investment.

33. The major risks facing the country are rising public debt and high unemployment, especially among the youth. Kenya's net debt, which has sparked debate over its sustainability, is forecast to stand at Sh5.2 trillion in FY 2019 compared to Sh4.6 trillion in 2018.
34. In preparation of the FY 2019/20 Budget Estimates and the medium term, the County treasury did take into consideration the key programmes in the departments that impact on the Big Four National Agenda, Vision 2030 and MTP III.
35. Further, the County has been performing quite well in compliance with Public Finance Management Act requirements and practices over the years and as such, the World Bank under the Kenya Devolution Support Programme (KDSP) awarded the county a grant of Kshs.111.3 Million for development in the FY 2018/2019.
36. Going forward, prudent macroeconomic policies coupled with strict fiscal discipline including fiscal consolidation consistent with the Medium Term Fiscal Framework needs to be implemented; however this will require adjustments on recurrent spending and improvements on local resource mobilization strategies.
37. During the period under review, Busia County experienced improved fiscal performance. This improvement was compelled by investments in Agriculture, Health, Education and infrastructure.
38. The county observed strict fiscal discipline with major emphasis placed on development programmes aimed at improving the livelihoods of the residents. 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.

Analysis of Expenditure by Departments

This section presents an analysis of the two arms of county government based on the actual expenditure for the financial year 2018/2019 in comparison to the approved budget.

County Executive Service

39. 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.
40. In the FY 2018/2019, County Executive allocation increased by 26% from Ksh 6.36 Billion in the FY 2017/2018 to Ksh.8.028 Billion. The actual expenditure for the period July, 2017 to June 2018 amounted to Ksh. 5.92 Billion representing an absorption rate of 75%.

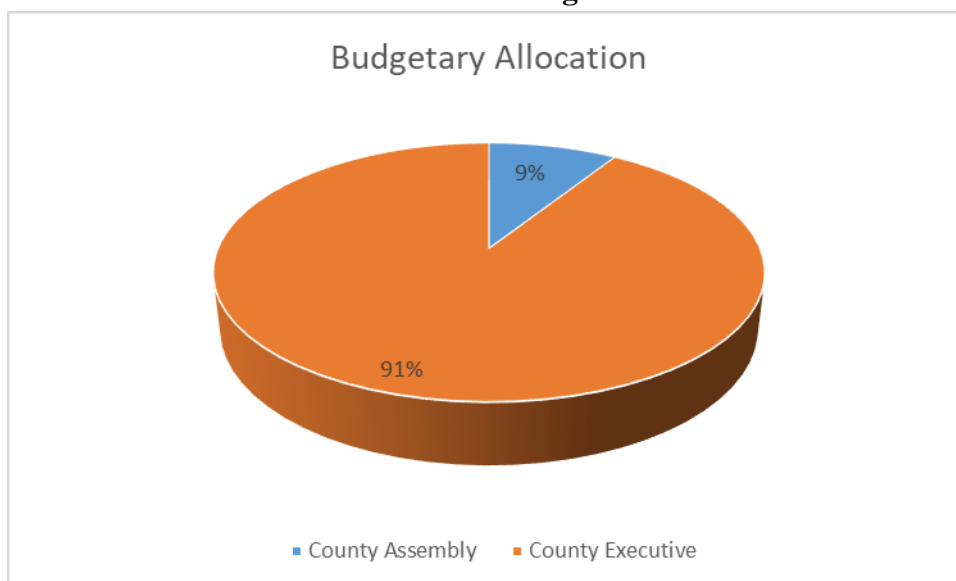
County Assembly

41. The legislative authority of the county is vested in, and exercised by the County Assembly. The roles of the county assembly have been highlighted in Section 8 of the County Government Act 2012, which includes among others; approval of the county budgets in accordance with Article 207 of the constitution, approval of borrowing by the County Government in accordance with Article 212 of the Constitution, approval of county development plans and to perform their legislative and oversight roles as set out under Article 185 of the Constitution of Kenya 2010.
42. In the FY 2018/2019, County Assembly budget Executive allocation decreased by 27% from Ksh 1,089.5 Million in the FY 2017/2018 to Ksh.798.5 Million. The actual expenditure for the period July, 2017 to June 2018 amounted to Ksh. 732.2 Million representing an absorption rate of 92%.

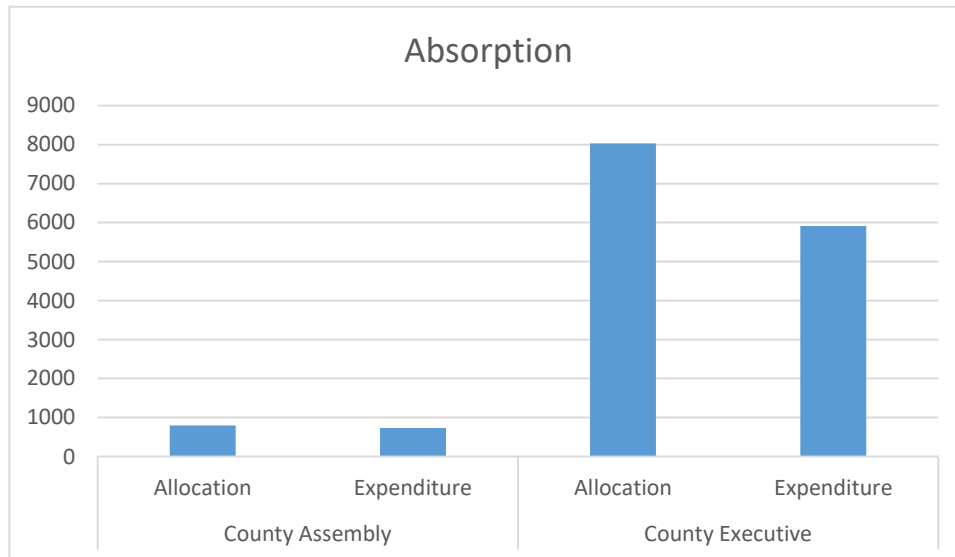
Table 13: Analysis of the county budget and expenditure under the two arms of the County Government

Budget Allocation (Million)			Actual Expenditure (Million)		
Total	County Assembly	County Executive	Total	County Assembly	County Executive
8,826.50	798.5	8028	6,644.5	732.2	5912.3
	9%	91%		11%	89%

Chart 4: Allocations for the two arms of government



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



IV. ANALYSIS OF EXPENDITURE PER DEPARTMENT

1. Agriculture and Animal Resources

- 43.** The department’s vision is to be a Leading County in Food security and sufficiency for sustained livelihoods. This will be realized in an effort to improve the livelihoods of Busia County residents through the promotion of competitive agriculture, provision of support services while ensuring a sustainable natural resource base.
- 44.** The department of Agriculture and Animal Resources is one of the main accelerators of the County’s economic growth and critical for attainment of the county’s economic growth as prioritized in the County Integrated Development Plan (CIDP). It consists of four directorates namely: Agriculture, Livestock Production, Veterinary and Fisheries
- 45.** The department plays a vital role in the overall socio-economic development and transformation of Busia County by undertaking programs that lay emphasis on promotion of various agricultural technologies. These programs are anchored in the CIDP and actualized each financial year in the annual Development plans.
- 46.** In the area of mechanization, the directorate was able to plough 3,100 acres of land. The cost of ploughing was 50% of the market rate hence increasing profitability for the farmers served and earning revenue for the county. This also led to timely operations thus translating to increased yields. Soil testing were conducted in selected wards on pilot basis to determine the nutritional status of the soils. Over 4,000 acres of maize crop was protected against fall army worm.

- 47.** In the Financial Year (FY) 2018/2019, the Directorate paid majority of pending bills. Nonetheless, the directorate was able to work on ward projects under input subsidy program. A total 7.2 tons of certified maize seed and 133 tons of basal and top-dressing fertilizer were issued to farmers. From the inputs issued, a total of 717 acres under maize crop were realized with an output of 10,043 bags of maize
- 48.** In the livestock production directorate, 15 acres of fodder were established at the ATC. In the same period, over 1,000 Farmers visited, 40 trainings conducted and 5 field days carried out across the County
- 49.** 63 heifers purchased and supplied under Ward Development projects. These were done for Malaba North, Angurai North, Bukhayo central, Amukura West and Bukhayo North. Under the same program, 12 pigs and 46 bags of startup feeds purchased and supplied to Mayenje ward under the ward development project
- 50.** In veterinary services directorate, has a fully functional well-equipped veterinary laboratory wherein farmers can access livestock disease diagnostic services. As a cost of primary production reduction measure the county government has adopted AI Services subsidy program that has seen a 70% drop in cost of accessing AI services from a high of Kshs 3500 per cow to a maximum cost of Kshs.1000. As a result, demand for A.I services has increased two-fold across the County. Through support from Send-A-Cow, a total of 1,400 straws of bull semen were procured.
- 51.** To strengthen veterinary extension services additional 14 AI service providers were trained and certified raising the number of AI service providers to at least 4 per sub-county. A total of fifteen A.I Kits were procured through support from Kenya Animal Genetics Resource Centre and distributed to service providers across the County to increase accessibility of the services. Through public-private-partnership, over 800 cows were successfully inseminated across the County. Various veterinary vaccines and drugs were procured that facilitated vaccination interventions by the county government against major diseases to cushion vulnerable farmers against loss of livestock.
- 52.** In order to ensure that meat consumed in Busia County is fit and safe for human consumption, the County procured an assortment of meat inspection equipment including meat inspectors' protective gear. The department intends to modernize the existing County abattoirs and operationalize the non-operational ones in Teso North, Nambale and Butula, all this aimed at ensuring food safety.
- 53.** During the mass vaccination exercise, over 100,000 Newcastle Disease vaccines were distributed to different poultry farmer – groups and individuals. A total of 54,000 livestock (cattle, sheep and goats) were vaccinated against the endemic Lumpy Skin Disease and a

further 8,500 vaccinated against Anthrax and Black quarter disease. To prevent rabies transmission from dogs to humans, a total of 6,300 dogs were vaccinated against rabies and certificates duly issued. To control tsetse fly and ticks and thus prevent trypanosomiasis disease and East Coast Fever, which are the main hindrance to dairy farming, the county procured and distributed acaricides and trypanocidal drugs to various crush pens and farmer groups, who benefited from the County Heifers' program across the county. All the animals that were vaccinated benefitted from the free deworming exercise aimed at ensuring optimal production.

- 54.** In the fisheries sub sector, under the value addition Programme the government has initiated establishment of a farmed fish filleting plant at the ATC and continued upgrading the Wakhungu training and fish breeding center with construction of a 21 Capacity hostel facility. The directorate also established a state of the art Tilapia and Catfish Hatchery with an annual fingerling production capacity of 1.8 million
- 55.** The directorate as a conservation measure and under the provision of alternative livelihood program procured and installed additional 13 high capacity cages in addition to the already established 80 tilapia fish cage farms in Busia waters of Lake Victoria.
- 56.** The Directorate as a management service provider managing cages on behalf of investors oversaw the production of 7.2 Tons of Tilapia Valued at Beach Gate Value of Kshs 1.8 Million as returns on investment. This fish was sold to local traders mostly women who further sold the fish to Bulk buyers at an estimated cost of Kshs 2.3 Million. The harvesting of the cages is and marks a milestone and a success case story of how governments can partner with the rural poor in alleviating poverty and investing in viable enterprises.
- 57.** To increase the farmed fish capacity of the county; 100 pond Aqua Park was launched and established in Bukani Samia. This was with the support of World Bank through Climate smart project. The Aqua Park is also modelled along the Fish cage model, where the directorate will provide management services to the beneficiary famers with the objective of up scaling the same to every ward as a measure of uplifting the economic status of the rural poor. It is anticipated that these interventions on completion will increase the value of aquaculture production from Kshs 200 million to at least Kshs 1 Billion annually by 2022 and make the county attain 400% increase in the volume of aquaculture production from 1,080 tons to 4,300 tons annually by 2022.
- 58.** To leverage on the fact that Busia is the gateway to East Africa, the county awarded a contract to establish a modern fish transshipment to benefit over 600 families. The objective of the of the project is to enhance the cross border fish trade by expanding and upgrading the fish handling and storage facilities and the market sanitary conditions for

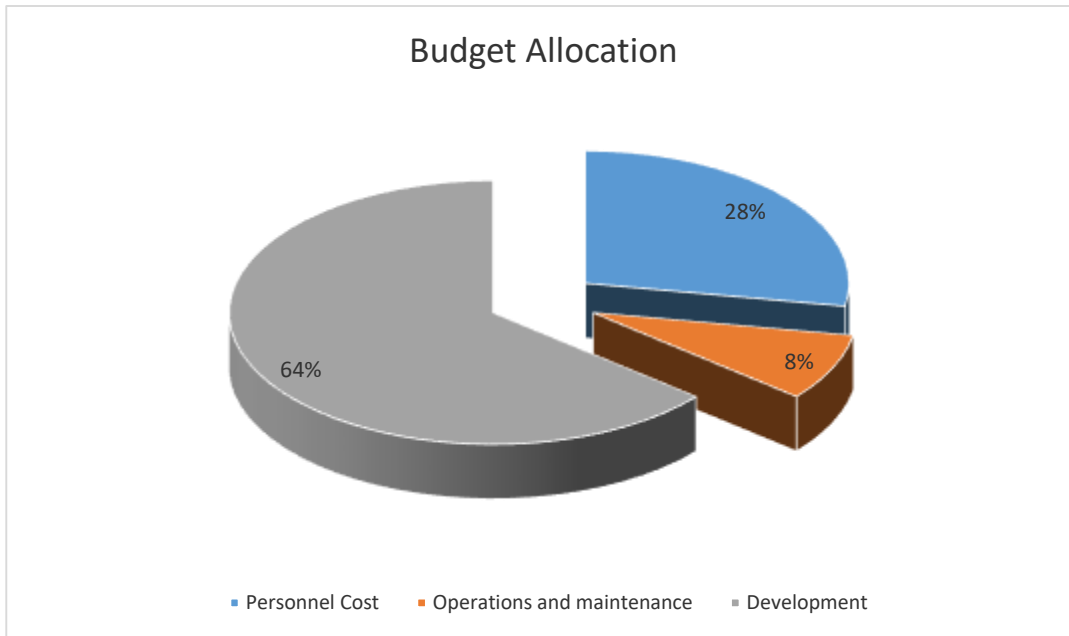
purposes of Improving fish handling hygienic practices, Enhancing Food safety and Fish quality and nutrition value and Reducing cost of doing business to the small scale cross border fish traders.

- 59.** Despite the improvement in service delivery, the department experienced a myriad of challenges. The outbreak of army worm, low soil fertility and poor crop husbandry greatly affected crop productivity leading to reduced yields by about 20% of the yields realized. Other non-rain dependent programmes progressed well as planned. Livestock management shortcomings by farmers continued to pose a challenge to livestock farming. Livestock pests and diseases outbreaks caused a lot of problems to the farmers. In fisheries sub-sector, fish pond farming continued to suffer the setback of bird menace and dry weather patterns that caused many fish ponds to dry. The macro- economic environment was favorable to the agricultural value chains development.
- 60.** In the FY 2019/20 and the medium term, the department will continue implementing its programmes underlying the four directorates. These include; Crop production and management, Agricultural training and extension services, fisheries and aquaculture resource development, livestock production development, veterinary health services among other objectives.
- 61.** The department was allocated Ksh. 656.5M. This constituted 7% of the total budget. The budget for the department was divided as follows.

Table 14: Allocation Analysis by Economic Classification

	Description	Amount (Mil)	Percentage
1	Personnel Cost	182.3	27.8
2	Operations and maintenance	54.1	8.2
3	Development	420.1	64
	Total	656.5	100

Chart 5: Agriculture analysis of the Budget

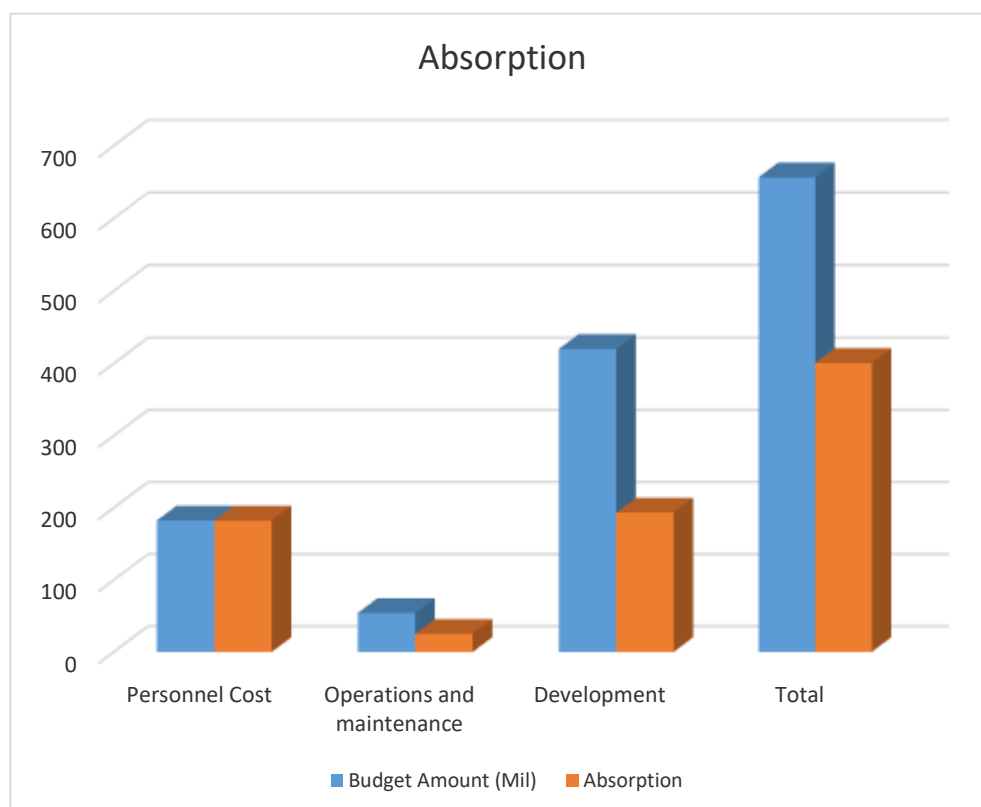


62. The Department set aside 64% of their total allocation towards development while 28% went towards Personnel cost (Compensation to employees). Operations and maintenance got an allocation of 8 %.

Table 15: The economic classification absorption level of the budget for the department

SNO	Category	Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	182.3	182.2	100
2	Operations and maintenance	54.1	25	46.2
3	Development	420.1	193.5	46.1
	Total	656.5	400.7	61

Graph 5: Agriculture absorption analysis



63. The total absorption was Ksh. 400.7M representing 61% of the total departmental allocation. The Personnel cost was 100% expended. Development vote absorption was Ksh 193.5M or 46.1% of the development budget.

2. Department of Trade, Cooperatives and Industrialization

64. The department aims at creating an enabling business and economic environment that promotes and encourages investment while exploiting the cooperative movement. It discharges its mandates through the directorate of trade, weights and measures and cooperative development.

65. In the year under review, the directorate of trade continued with its objective of promoting self-reliance among the citizens of Busia, enhancement of business, wealth and job creation through diversification, innovation, value addition, information sharing, market linkages and trade infrastructure support.

66. The directorate provided the traders with requisite trade information to facilitate business networks. It oversees and promotes cross-border trade through cross-border committees. This ensured seamless movement of goods and services across the international border and across inter -county borders boosting trading activities and thus revenue collection.

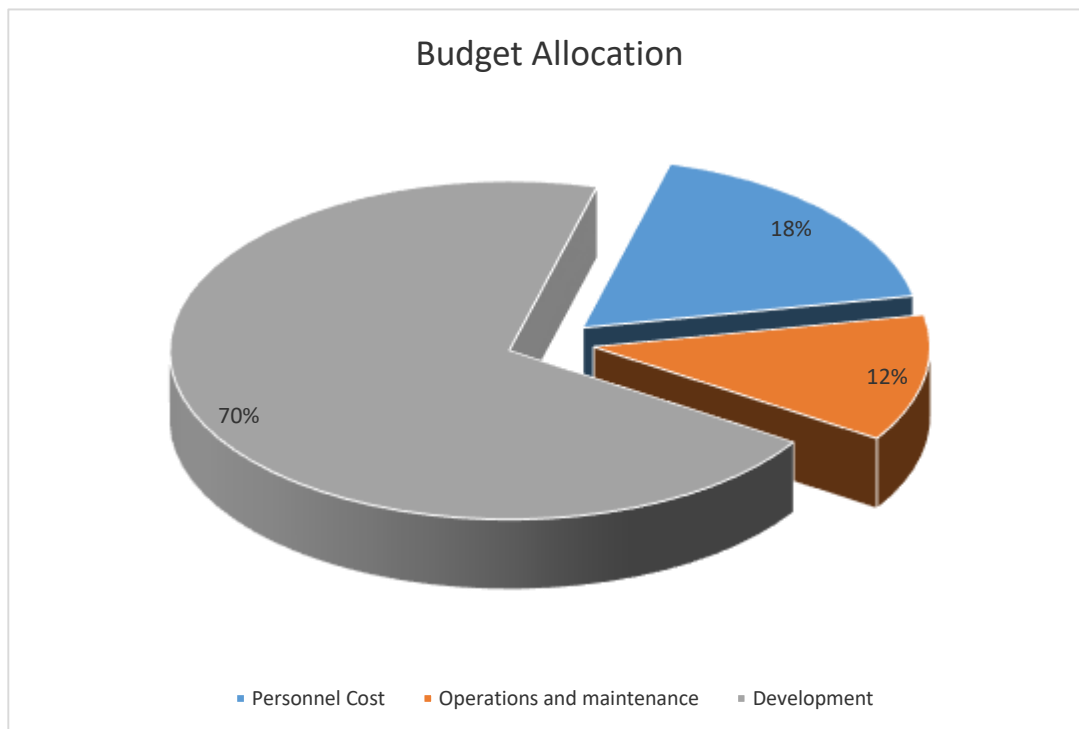
67. Fresh produce markets have been established in all the sub-counties and this has enhanced hygienic trade in perishable goods among the citizens.

- 68.** The directorate developed the Busia county trade development revolving fund Bill which has been enacted to law to promote development of small and micro enterprises and to set up an institutional framework for coordinating loan disbursements and is set to be rolled out in the current year.
- 69.** The directorate also developed and enacted into law the Busia County trade development bill to provide a mechanism for the imposition of certain taxes, charges, fees and for the grant of trade and related licenses, to provide for promotion, development and regulation of trade in the county.
- 70.** Through the directorate of trade, the department oversees implementation of ward development projects such as construction of markets, market shades and market toilets in various wards across the county. In the review year, the procurement processes for these projects were initiated and the projects are deemed to be implemented and completed in the current year.
- 71.** Under weights and measures the department ensured fair trade practices within the county. Calibration of weighing scales and fuel pumps at all outlets was carried out by this unit together with elimination of counterfeit goods within the county.
- 72.** 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.
- 73.** In 2018/2019 financial year, Kshs. 16.5 Million was received and disbursed to cooperative societies. The fund grants low interest loans to cooperative societies with a view to scaling up their activities. Strict evaluation of eligible cooperatives was carried out before funds were disbursed. Stricter monitoring and evaluation of the use of the funds will be carried out throughout the repayment period.
- 74.** The department did encountered a myriad of challenges among them; delay in procurement processes, insufficient funds to undertake vast projects, high demand for the cooperative enterprise development fund which surpasses budgetary allocation and lack of legal framework to operationalize trade activities.
- 75.** In the subsequent financial years, the department will continue discharging its mandates in all the three directorates, complete ongoing projects and implement planned projects in the relevant years.
- 76.** The department was allocated Ksh. 197 M. This constituted 2% of the total budget. The budget for the department was divided as follows

Table 16: Trade, Co-operatives and Industrialization allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	35.1	18
2	Operations and maintenance	23.9	12
3	Development	138	70
	Total	197	100

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



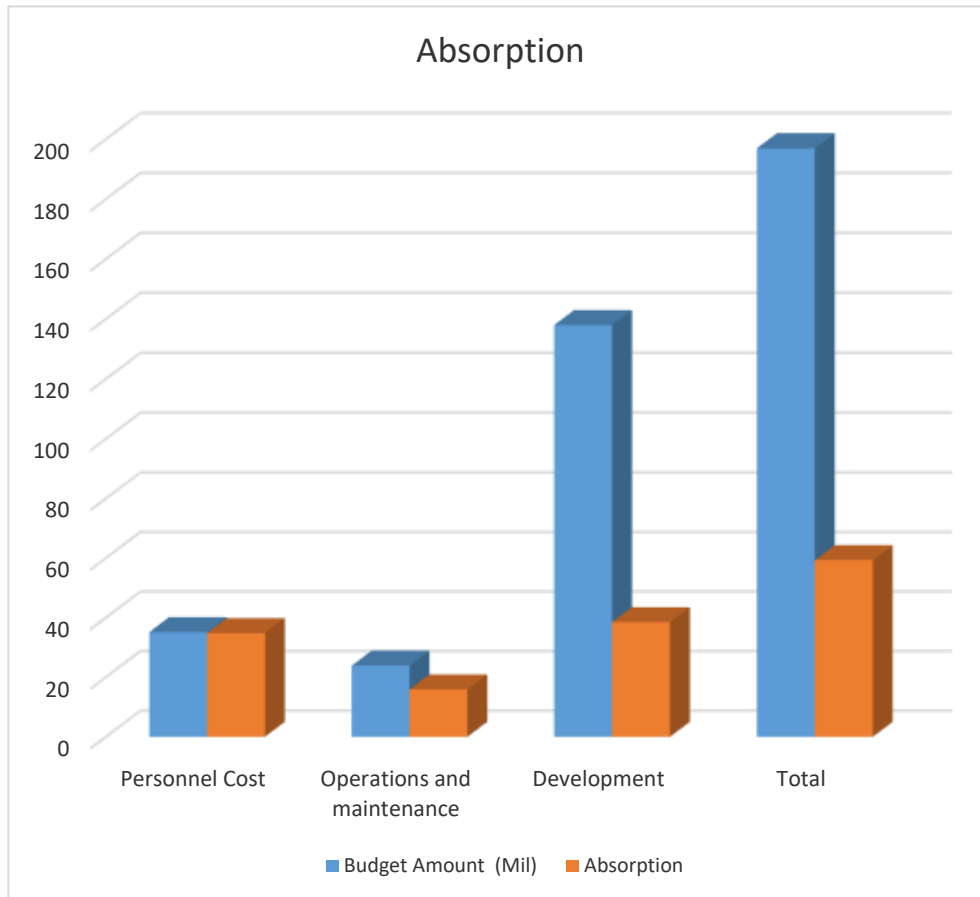
77. Development allocation was the highest with an allocation of 70%. Personnel cost (Compensation to employees) had an allocation of 18% as the second ranked beneficiary. Operations and maintenance got the least allocation of 12%.

Table 17: Trade, Co-operatives, and Industry absorption level in Ksh Millions

SNO	Description	Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	35.1	34.8	99.1

2	Operations and maintenance	23.9	15.9	66.5
3	Development	138	38.5	27.9
	Total	197	59.28	30.1

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



78. The total absorption was Ksh. 59.28 M representing 30.1% of the total departmental budget. Development vote absorption was the lowest at only 27.9%. The department utilized the Personnel Emoluments at 99.1% while Operations and Maintenance absorption was 66.5% of the total departmental budget.

3. Education and Vocational Training:

79. The department is envisaged to provide, promote and coordinate quality education and training, integration of science, technology, and innovation in sustainable socio-economic development process.

- 80.** The directorate of Early Childhood Development Education provides opportunities for children in pre – primary education to enhance their cognitive, social and spiritual, emotional and physical development.
- 81.** Vocational Training focuses on developing skills and competencies that can prepare the youth for the world of work. The directorate appreciates the fact that advancement in technology is a major socioeconomic pillar not only for industrial development as envisaged in the Vision 2030, but is an important catalyst in human capital development. In addition, we recognize the fact that innovative technologies will not only spur the economy, but will also make the County have a competitive edge over her neighbors.
- 82.** Under the directorate of Early Childhood Education the directorate purchased teaching and learning material which were distributed to all Public ECDE centres. The materials have improved learning in the registered public ECDE centers across the County. In order to create child friendly learning environment in the ECDE centers, the department continued to construct additional ECDE classrooms in various centers across the County. The department also worked towards completion of stalled ECDE classrooms across the county. In addition we recruited a total of 569 ECDE teachers on three year contract term.
- 83.** A policy to allow the county provides free milk to all children in public ECDE centers 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 well-being by improving their nutritional health and educational status. The department also carried out routine quality assessments to ensure proper implementation of the ECDE curriculum.
- 84.** During the FY under review, the directorate of Vocational Training concentrated on the completion of ongoing projects at Amaase VTC and Dirakho VTC. In order to improve the quality of training, the department recruited additional 25 instructors on permanent and pensionable terms.
- 85.** The department also received conditional grant – Subsidized Vocational Training Centres Support Grant; of Ksh. 106.0Million which was disbursed to all Public VTCs. This has tremendously improved the quality of Training and enrollment in Vocational Training Centres.
- 86.** To cushion the financially disadvantaged against adverse financial difficulties and to ensure that no eligible student drops out of secondary School, university or college due to inability to finance their education, the department will continue to fund them through the established Busia County Education Support Schemes.
- 87.** In the FY: 2018/2019 Ksh. 28 M was disbursed to HELB towards the education revolving scheme to support more students in Post-secondary education and training. HELB has

concluded the exercise of scrutinizing the applications and are currently in the process of allocating loans to the beneficiaries. Under the same programme the department has also concluded the process of vetting 105 Students pursuing special courses (Medicine, Engineering and law) to benefit from the County scholarship.

- 88.** Under bursary the department managed to disburse a total of Ksh.75.5 Million towards assisting needy students in Secondary schools, middle level Colleges, Vocational training Centres and Universities.
- 89.** The department also initiated the process of preparing a Strategic Plan that will provide a sense of direction and outline measurable goals. Strategic planning is a tool that will be useful for guiding day-to-day decisions and also for evaluating progress and changing approaches when moving forward. The department continues to build capacity of members of staff. During the Financial year under review, the department carried out in house training of all managers of VTCs and ECDE teacher while two chief officers and two directors were sponsored for training at Kenya School of Government (KSG)
- 90.** To ensure effective delivery of services, the department initiated development of the following bills which are awaiting publication by the Government Printer.
 - The Busia County Early Childhood Development Education Bill 2018
 - The Busia County Vocational Training Bill 2018 and
 - The Busia County Education Support Scheme Regulations 2019
- 91.** In the medium Term the departments plans to improve infrastructure in Early Childhood Education by constructing ECDE Classrooms, Model ECDE centres and child friendly pit latrines. Provide additional teaching and learning material. Recruit Ward ECDE officers and Seven (7) Sub County Quality Assurance Officers.
- 92.** The Directorate of Vocational Training in the medium term will focus on achieving the Social pillar of vision 2030 of the National government that recognizes education and training of all Kenyans as fundamental in making Kenya a medium industrialized nation. To this end the directorate intends to improve infrastructure in VTCs and equip workshops in Vocational Training Centres. This will also boost the workforce that is required in the Big Four Agenda of the Jubilee government.
- 93.** The department will also supply sanitary towels to female trainees in VTCs, conduct regular quality assessments in VTCs and Organize curricular activities and skills competitions.

94. The Department will also continue to fulfill the agenda of the County Government of providing scholarship to key courses that will enable the graduates to be self-reliant at the same time bolster bursary for the needy and deserving residents of Busia County.

Risk to the outlook include:

- Delay in disbursement of Funds
- Inadequate resources to meet the demands of the department.
- Weak internal Monitoring and Evaluation frameworks which delay implementation of projects
- Increase in enrolment in both ECDE and Vocational Centres has continue to insert pressure on the limited infrastructure in the respective centres.

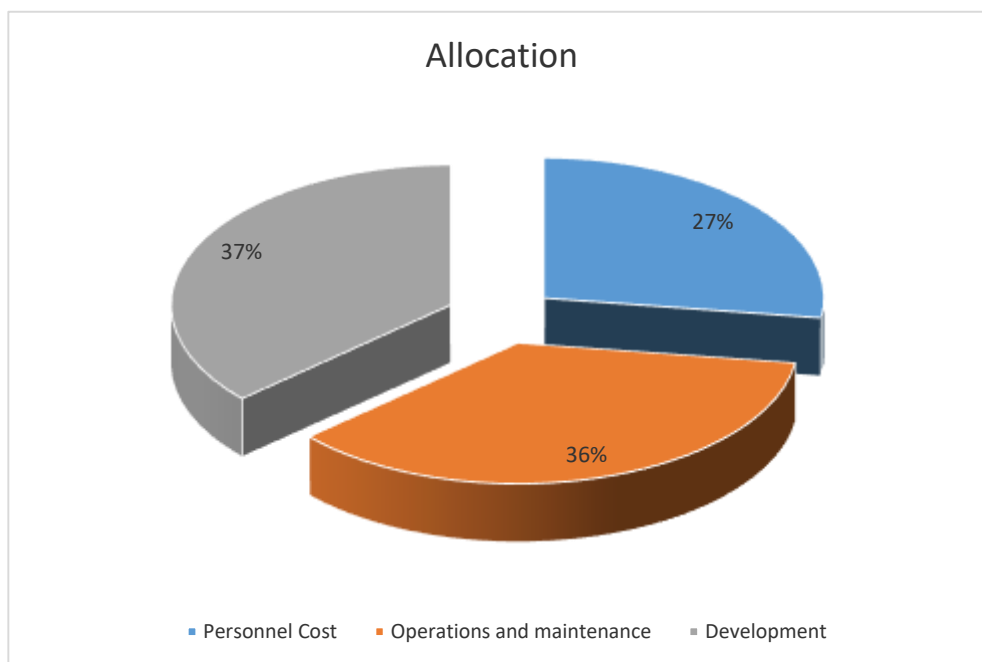
95. The department was allocated Ksh.751.3M. This constituted 9% of the total budget.

The budget for the department was divided as follows.

Table 18: Education and Vocational Training Allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	204.8	27
2	Operations and maintenance	271.4	36
3	Development	275.1	37
	Total	751.3	100

Chart 7: Education and Vocational Training Allocation analysis

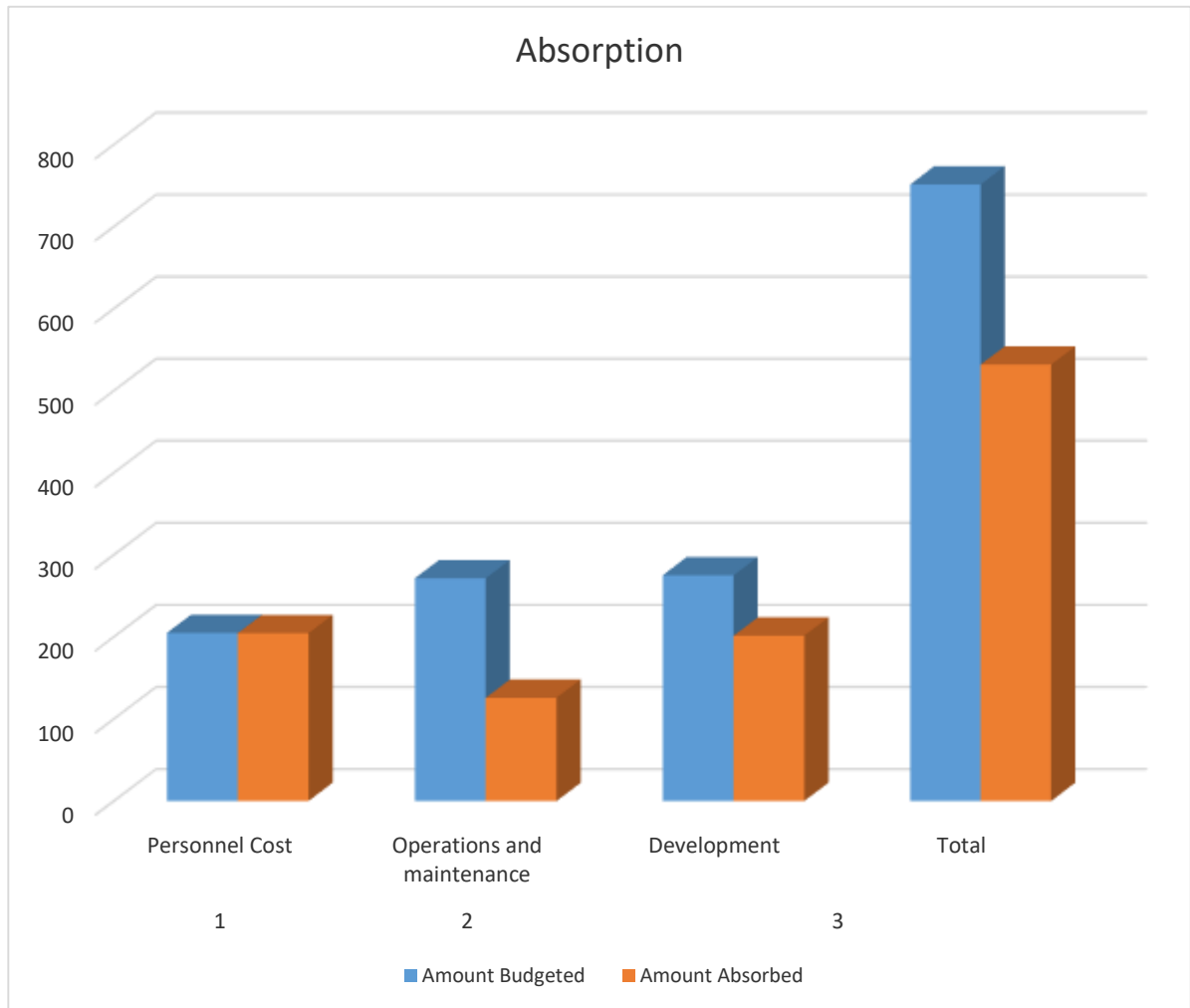


96. Development budget allocation was the highest with an allocation of 37%. Operations and maintenance was second with 36% while Personnel emoluments was the least with allocation of 27 %.

Table 19: Education and Vocational Training absorption level in Ksh Million

No	Description	Amount Budgeted	Amount Absorbed	Percentage Against Allocation
1	Personnel Cost	204.8	204.5	99.9
2	Operations and maintenance	271.4	125.8	46.4
3	Development	275.1	201.5	73.2
	Total	751.3	531.8	70.8

Graph 7: Education and Vocational Training absorption analysis



97. The total absorption was Ksh. 531.8 M representing 70.8% of the total departmental budget. Development vote absorption was at 73.2%. The department utilization of the Personnel Emoluments was at 99.9% while Operations and Maintenance absorption was 46.4% of the total departmental budget.

4. Finance, Economic Planning & ICT

98. The department of Finance, Economic Planning and ICT is the core county department as it is responsible for the financial management of the County public treasury. The department achieves its mandates through the following directorates; Accounting services, Budget and Economic Planning, Revenue, Supply Chain Management, Audit and ICT.

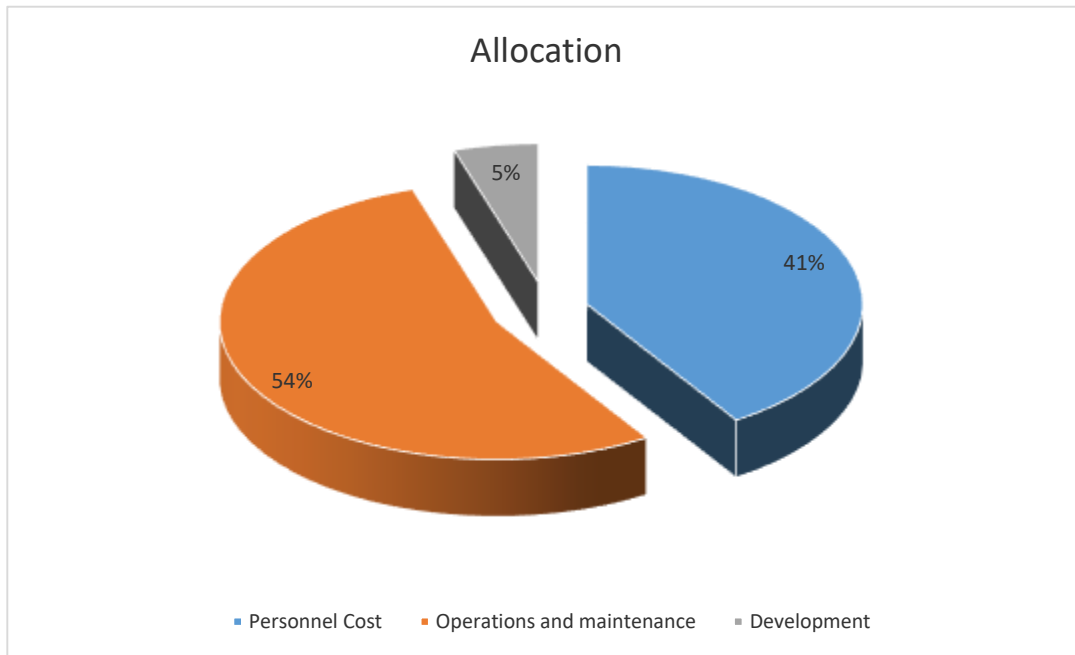
99. In the year under review, the department continued with its key functions of facilitating revenue collection and revenue management; budget planning, preparation and management; formulation and promotion of county fiscal and economic policy and trade facilitation.

- 100.** Through the department, the County realized improved revenue collection by 71.6% from Kshs.176.29 Million in the previous year to Kshs. 302.55 Million in the year under review. This was attributed to effective strategies put in place among them continued automation processes through launching of County M pesa Paybill 635929 aimed at streamlining revenue collection and overcoming revenue leakages, establishment of trade Act, Cess bills and approval of valuation rolls that aided in boosting revenue from relevant sources.
- 101.** The department gave technical support, advice and guided other departments in financial and economic planning matters. It worked collaboratively with other county departments, board, committees and the County Assembly in preparing, reviewing and analysing budgetary policies and priority programmes.
- 102.** The directorate of Accounting services and Audit enabled the department control and account for the receipt and expenditure of public funds through the development of financial policies and procedures, administration of applicable legislation and preparation of financial statements and financial reports.
- 103.** In the 2018/2019 financial year, the department did adopt the E- Procurement system put in place by the National Treasury for National and County governments’ procurement processes. Various stakeholders and county staff were trained on the e-procurement system which was later applied in tendering and evaluating the advertised projects.
- 104.** The department will endeavor to provide high quality financial, economic and advisory services through efficient and effective fiscal planning, resource mobilization, budget administration, coordination, formulation and implementation of policies and programs for accelerated, equitable and sustainable development for the citizens of Busia County in the subsequent financial years.
- 105.** The department was allocated a total amount of Ksh 1,536.8 Billion during the financial year 2018/2019. This constituted 17% of the total budget of the County.

Table 20: Finance, Economic Planning & ICT Allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	628.9	40.9
2	Operations and maintenance	832.3	54.2
3	Development	75.6	4.9
	Total	1536.8	100

Chart 8: Finance, Economic Planning & ICT Allocation analysis

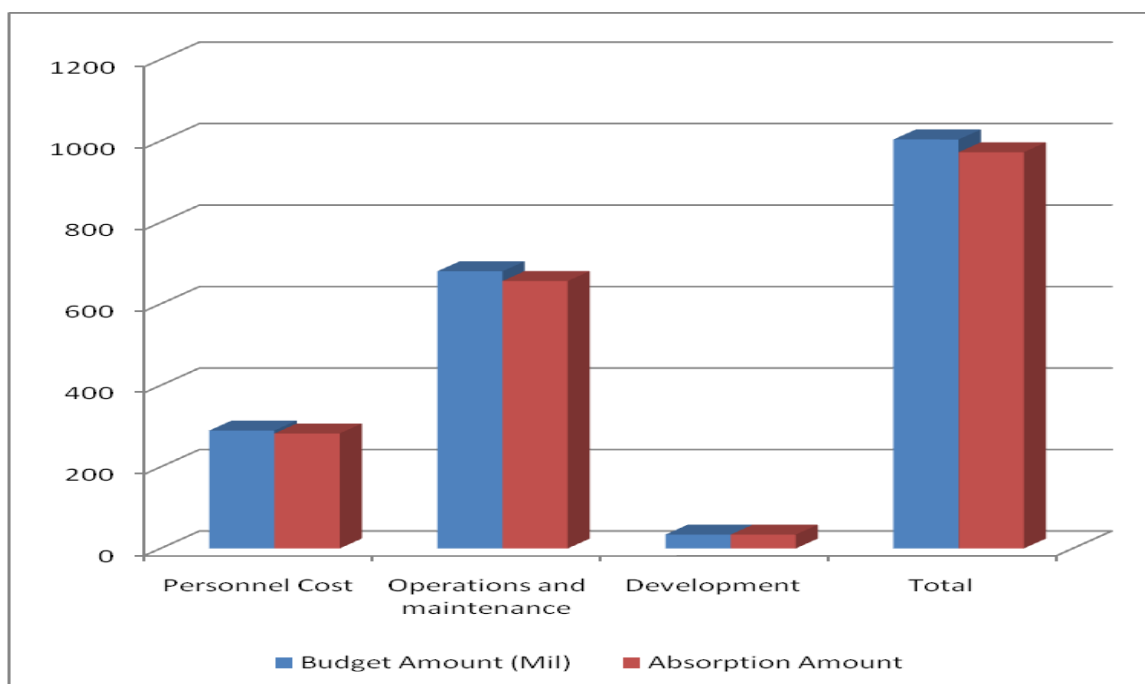


106. The Operations and maintenance budget allocation was the highest at 54.%, (bulk of which went to meet medical insurance for all staff and other insurance services of the county) of the total allocation to the department. Personnel cost (Compensation to employees) allocation was 41 % while Development was 5%.

Table 21: Finance and ICT economic absorption level Ksh. Million

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	628.9	628.9	100
2	Operations and maintenance	832.3	696.1	83.6
3	Development	75.6	11.1	14.7
	Total	1536.8	1336.1	86.9

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



107. Total departmental absorption was 86.9%. Development absorption cost was 14.7%. Operation and maintenance vote absorption was 83.6% while Employee compensation was near 100%.

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

108. The department consists of seven directorates namely; Youth, Sports, Children, Tourism, Culture, Social services and Alcoholic Drinks Control. It is mandated to mobilize Busia community for sustainable social protection, talent nurturing, and creating equal opportunity for youth, women, PLWDs and other vulnerable groups for a holistic growth and development.

109. The department is committed to realizing a socially secure, self-driven and empowered Community. This will be done by mobilizing the Community to achieve sustainable social protection, talent nurturing, heritage preservation and creating equal opportunity for the vulnerable groups to realize holistic growth and development.

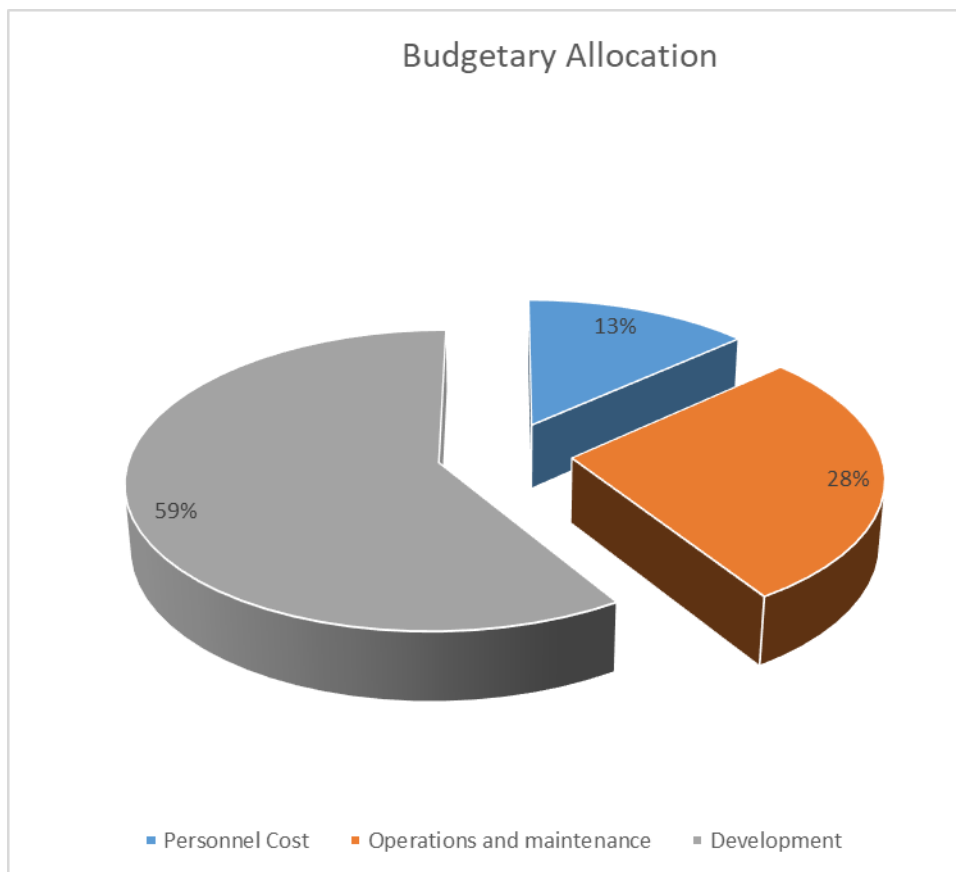
110. In the year under review, the department implemented various programmes aimed at empowering the youth and breaking the poverty cycle among the vulnerable groups with an objective of achieving sustainable development goal (SDGs) (1),(5) and (8). The department undertook youth mentorship programs and issued grants to 616 youth & women groups which enabled them to participate in growing the economy as they engaged in various economic activities.

- 111.** Through the programme of Sports promotion and development, the department organized and facilitated sports tournaments at the ward level across the county. The department also facilitated the participation of the county staff in KICOSCA games. Through the directorate of Alcoholic Drinks and Drug Abuse Control, the department licensed 350 liquor businesses that contributed Ksh.4.8 million to the county revenue kitty.
- 112.** In spite of the above achievements, the department did experience challenges such as inadequate resource allocation, delayed release of funds from the exchequer, delayed production of project designs and bill of quantities (BQs), understaffing and inadequate means of transport.
- 113.** Over the medium term, the department will undertake programmes aimed at creating equal opportunities for youths, women, PLWDs and other vulnerable groups in order to reduce poverty and close inequality gaps.
- 114.** The department was allocated Ksh.187.5M, this constituted 2% of the total budget. The budget for the department was divided as follows;

Table 22: Community Development, Culture, Sports and Social Services allocation analysis by economic classification:

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	25.2	13.4
2	Operations and maintenance	51.7	27.6
3	Development	110.6	59
	Total	187.5	100

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

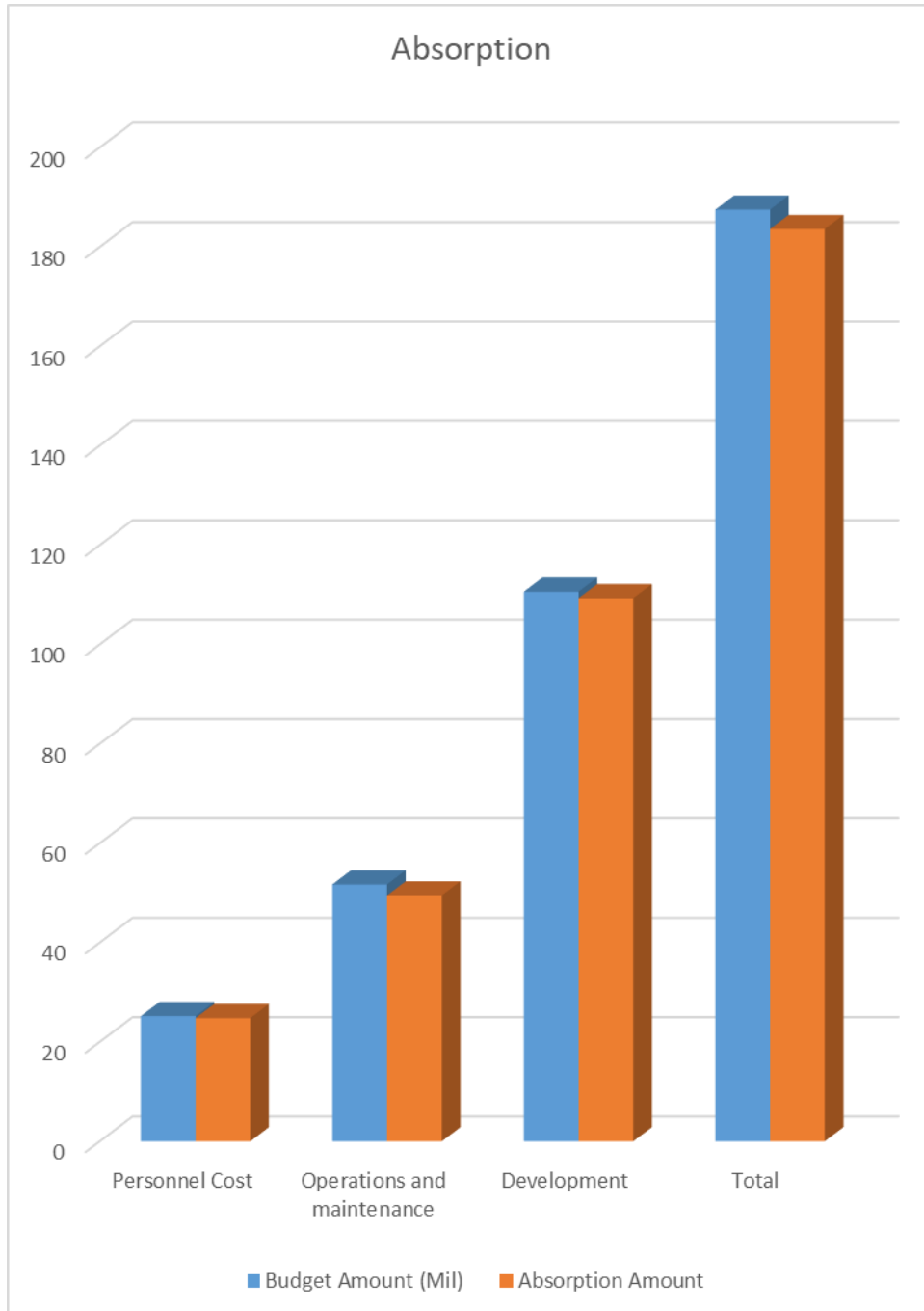


115. Development allocation was the highest at 59%, Personnel cost (Compensation to employees) at 13% and Operations & Maintenance at 28% allocation of the total departmental budget.

Table 23: Community Development, Culture, Sports and Social Services absorption level in Ksh Millions

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	25.2	24.8	98.4
2	Operations and maintenance	51.7	49.5	95.7
3	Development	110.6	109.3	98.8
	Total	187.5	183.6	97.9

Graph 9: Community Development, Culture, Sports, and Social Services absorption analysis



116. Personnel cost was utilized at 98.4% while 98.8% of Operations and Maintenance were absorbed. The development absorption stood at 95.7%.

6. Public Works, Roads, Transport and Energy

117. The department is mandated to provide an enabling and supportive environment for investment in the county and sustain standard road network and public infrastructure for sustainable development. It comprises of the directorate of Roads, Public Works, Transport and Energy. The energy directorate is mandated to ensure available and

sufficient lighting in the Urban centres and Rural areas which is critical in enhancing security and business activities across the county.

- 118.** In the year under review, the department continued implementing its major activities which include; routine maintenance of county roads at departmental and ward level, upgrading of county roads to bitumen standards and construction of major drainage (bridges and box culverts). Approximately a total of 185km of the road network have been tarmacked out of the existing 1600km of roads in the county. Under the Fuel Levy Fund, approximately 114.3 km roads were contracted across the county.
- 119.** The contracted works in the 2018/2019 Financial year in the roads sector have greatly opened up the rural areas of the county and the good infrastructure is expected to attract investment as well as stimulate the growth of other service sectors in the formerly remote areas of the county owing to improved transport network that will lower the cost of doing business in the county.
- 120.** The additional network opened up by ward based program means the county has now a bigger network to maintain and in order to safeguard the investment already made in the roads there is need to maintain them regularly. The major box culverts and bridges target further connectivity of the very rural inaccessible areas of the county some of which were previously not accessible by motor vehicles to the low class roads to facilitate access to agricultural produce to markets as well as other socio-economic centres.
- 121.** To effectively undertake the above road works, the department did maintain its various road construction equipment which include; (three motor graders, two excavators, one front wheel loader, two single drum vibrating rollers, one prime mover and three drump trucks were repaired and maintained)
- 122.** The department has identified several revenue sources from mechanical and transport section through licensing and inspection of motor vehicles in line with Chapter 11 Part 3 of the constitution. Further it has proposed establishing a county Mechanical and Transport Fund/Unit for hiring out of the road construction equipment to the public and other government institutions. A graft bill and regulation have been prepared and are awaiting tabling in the county assembly. Therefore to realize these revenues, there is need of approval of the necessary legal and administrative framework key to giving legal backing to these revenue sources.
- 123.** The Directorate of energy implemented projects in 2 sub- programs namely rural electrification, and Maintenance of electrical installations in the FY 2018/2019.
- 124.** Under the rural Electrification Sub-program, the department implemented 39 rural electrification scheme sites across the County worth a total of 81.5 million in

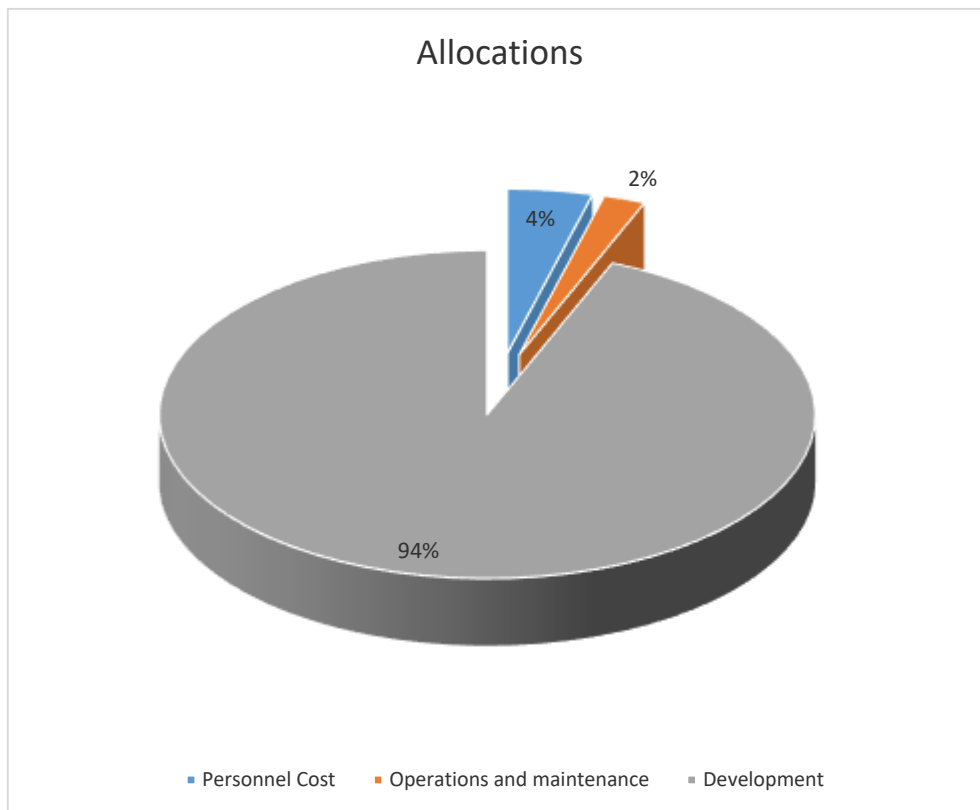
partnership with REA. Under the matching fund facility, REA contributed 35 million to the project while the balance was from ward and departmental allocations. Each of the 39 sites is set to connect an approximate 35 households to mains grid power hence scaling the number of the beneficiaries to 1365.

- 125.** The maintenance of electrical installations allocations both at departmental level, ward based and allocations domiciled at the department of lands and urban planning served in maintaining a total of 38 Solar mass lights and erecting 7 new ones in select Market centers across the county.
- 126.** Kenya Power, the department's able development partner in a MoU with the County government of Busia, is currently doing electricity pole mounted streetlights on its infrastructure in 49 market centers. While Kenya Power owns the construction and the maintenance of this infrastructure, it is the county government's obligation to budget for and service the electricity bills for the same.
- 127.** Other than the budgetary allocations, the department is continuously reaching out to investors, government and non-government actors such as REREC, Kenya power, ERC, RVEsol Portugal through its Local entity KUDURA POWER E.A among others to spur development in Energy.
- 128.** In partnership with REREC and ERC, among other plans such as to develop the County Energy Master plan and to develop an ENERGY MAP, the department targets in the near future to conduct a major campaign activity dubbed 'Energy Week' that seeks to bring together stakeholders in the energy sector within the county and the county community representatives for the sole purpose of creating awareness on proper energy use, current renewable energy technologies and enhancing capacities of the county residents to adapt to ever-emerging new trends in efficient energy use.
- 129.** Rvesol Portugal is currently constructing 10 Solar - Micro grid stations across the county and set to roll out 34 others over the next 3 years. This translates to a total of 5 MW once all the schemes are installed. This will mark a great milestone in the energy sector.
- 130.** Some of the key challenges experienced and anticipated are; insufficient budgetary allocation especially under operations and maintenance, political interference which slow down implementation of development programmes and inadequate road construction equipment hence the few which are available are overstretched and prone to break downs. This in turn affects the targeted output owing to low efficiency and high down time.
- 131.** The department was allocated Ksh. 1,195.7M this constituted 14% of the total budget. The budget for the department was divided as follows:

Table 24: Public Works, Roads, Transport and Energy allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	50	4
2	Operations and maintenance	24.6	2
3	Development	1,121.1	94
	Total	1,195.7	100

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

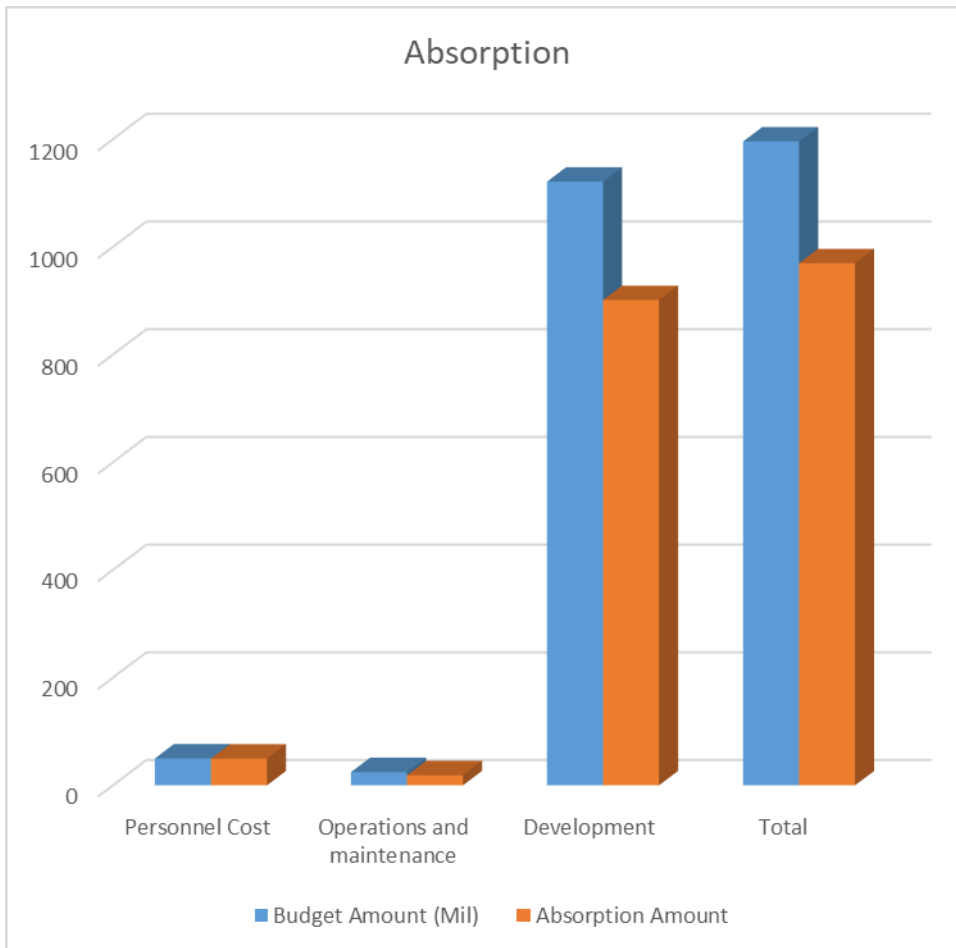


132. The development cost allocation was the highest at 94%. Personnel cost (Compensation to employees) was the second highest with a budget allocation of 4%. The Operations and Maintenance was the least beneficiary with 2 %.

Table 25: Public Works, Roads, Transport and Energy absorption level in Ksh Millions

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	50	49.6	99.2
2	Operations and maintenance	24.6	18.7	76
3	Development	1,121.1	901.2	80.4
	Total	1,195.7	969.5	80.7

Graph 10: Public Works, Roads, Transport and Energy



133. The personnel cost vote recorded 99.2% absorption. Development vote absorbed 80.4% while O&M was utilized at 76%. Total departmental absorption was 80.7%.

7. Public Service Management

- 134.** The department of Public Service Management is comprised of three units namely, Human Resource Management and Development, Payroll and Records Management. In discharging its functions, the department liaises with the County Public Service Board in coordinating Human Resource and Records Management functions.
- 135.** The core functions of the department are; To develop, interpret and implement policy guidelines and provide strategic direction and transformative leadership in the core mandate areas, ensure implementation of Human Resource Management policies, rules and regulations, advise the Public service on organizational structures, departmental functions and staffing levels and initiate, coordinate Human Resource Management reforms, provide guidelines & monitor payroll and provide human resource records both current and semi-current among others.
- 136.** The Strategic objective of the department is to provide a conducive environment for an effective and efficient workforce while embracing modern technology for delivery of quality service and provide strategic leadership and guidance on human resource management and development
- 137.** The Performance of the department during the financial year was satisfactory. The following programmes were implemented;
- 138.** The department carried out two staff headcounts of all permanent and pensionable staff in the month of June, 2018 and January, 2019. An analysis of the data was done and a report made by external experts. The objectives of the headcount was to establish the total number of staff in the County payroll, the demographic composition of staff, establish staff qualification and come up with appropriate recommendations.
- 139.** The department also carried out headcounts of Casuals staff engaged in the County. The audit analysis recommended that there was need of cleansing the payroll and to streamline the engagement of casuals in order to avoid possible litigations.
- 140.** To improve on efficiency and service delivery the department did spear head the Performance Contracting exercise for FY 2018/2019 which kicked off on Wednesday, 3rd October, 2018 at Tom Mboya Labour College, in Kisumu with the sensitization of the Executive (H.E The Governor, Deputy Governor, The County Secretary, Advisors, The Chief of Staff, CEC members and Chief Officers) on the Performance Contracting process and the benefits to the County.
- 141.** County Directors and departmental Champions were also sensitized and tasked to come up with the Performance Contracts as the technical staff in their respective departments.

142. The negotiated and vetted Performance Contracts were signed between H.E. the Governor and CECM and cascaded down.
143. The department also did develop a draft Internship Policy which is awaiting the approval of the County Executive Committee.
144. The policy aims at attaching youths who leave Institutions of higher learning to various departments of the County for the purposes of gaining work experience. The attachment will help to improve employability of the youth. The same will also help to build a positive image of the County and create a pool of experienced youth from where the County will get its labour force.
145. To address the challenges faced by the citizen in accessing government services, the department carried out a customer satisfaction survey in the entire County. The survey data which was collected between 18th to 22nd March, 2019 was aimed at finding the level of customer satisfaction on the following aspects; Extent to which county Government staff are polite, courteous and helpful to visitors, general facilities provided by the County Government for its clients (waiting room, chairs, markets etc), ease with which one is directed to the right person who will solve his/her problem at the County Government facilities and time taken to serve a customer or deliver a service among others.
146. The report revealed that customer satisfaction on the above aspects was fairly satisfactorily and that there was need on improvement of Performance on the part of the County staff.
147. In addition, the department was able to develop the departmental Strategic Plan for the Period 2018-2022 , staff performance Appraisal System tool for the entire County to enable departments to track/measure performance, Capacity build staff through trainings in Kenya School of Government and complied with the Industrial Training Act chapter 237 by paying employees accrued arrears contributions.
148. In the medium term the department intends to formulate and enforce Human Resource Policies, laws and regulations, organize public service week, capacity build staff through Training, organize medical Insurance Cover and group Insurance cover for staff.
149. The department will also initiate the following infrastructure projects:
Establishment of Records Centre, Construction of Baby Care Centre and County Public service Centre.

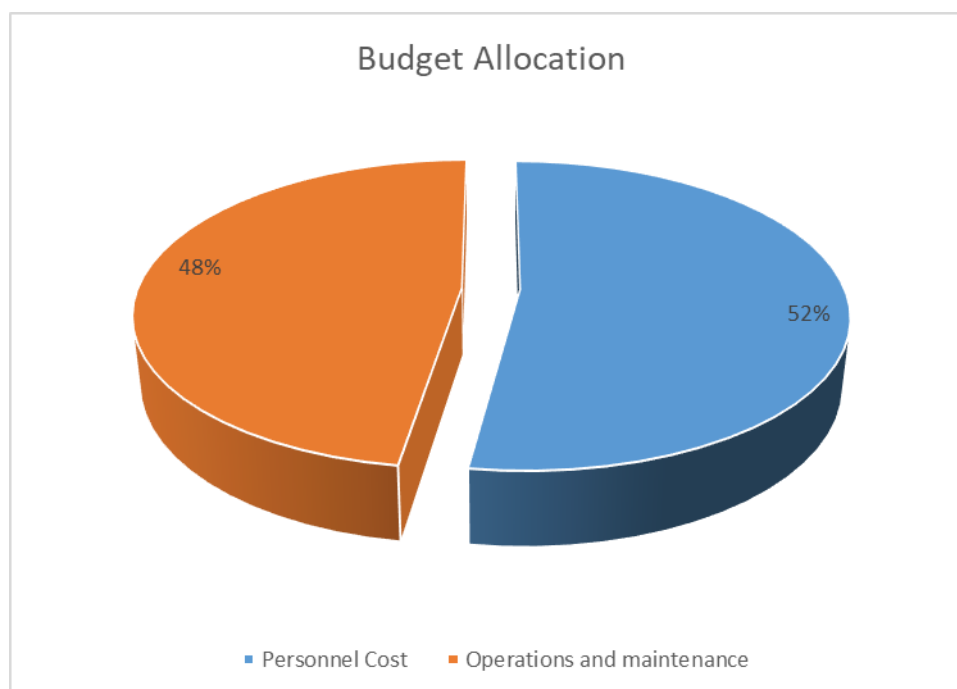
Risks to the outlook: Inadequate allocation of resources to implement the planned programmes.

150. The department was allocated Ksh. 50.60 M. This constituted 1% of the total budget. The budget for the department was divided as follows;

Table 26: Public Service Management allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	26.5	52.4
2	Operations and maintenance	24.1	47.6
	Total	50.6	100

Chart 11: Public Service Management allocation analysis

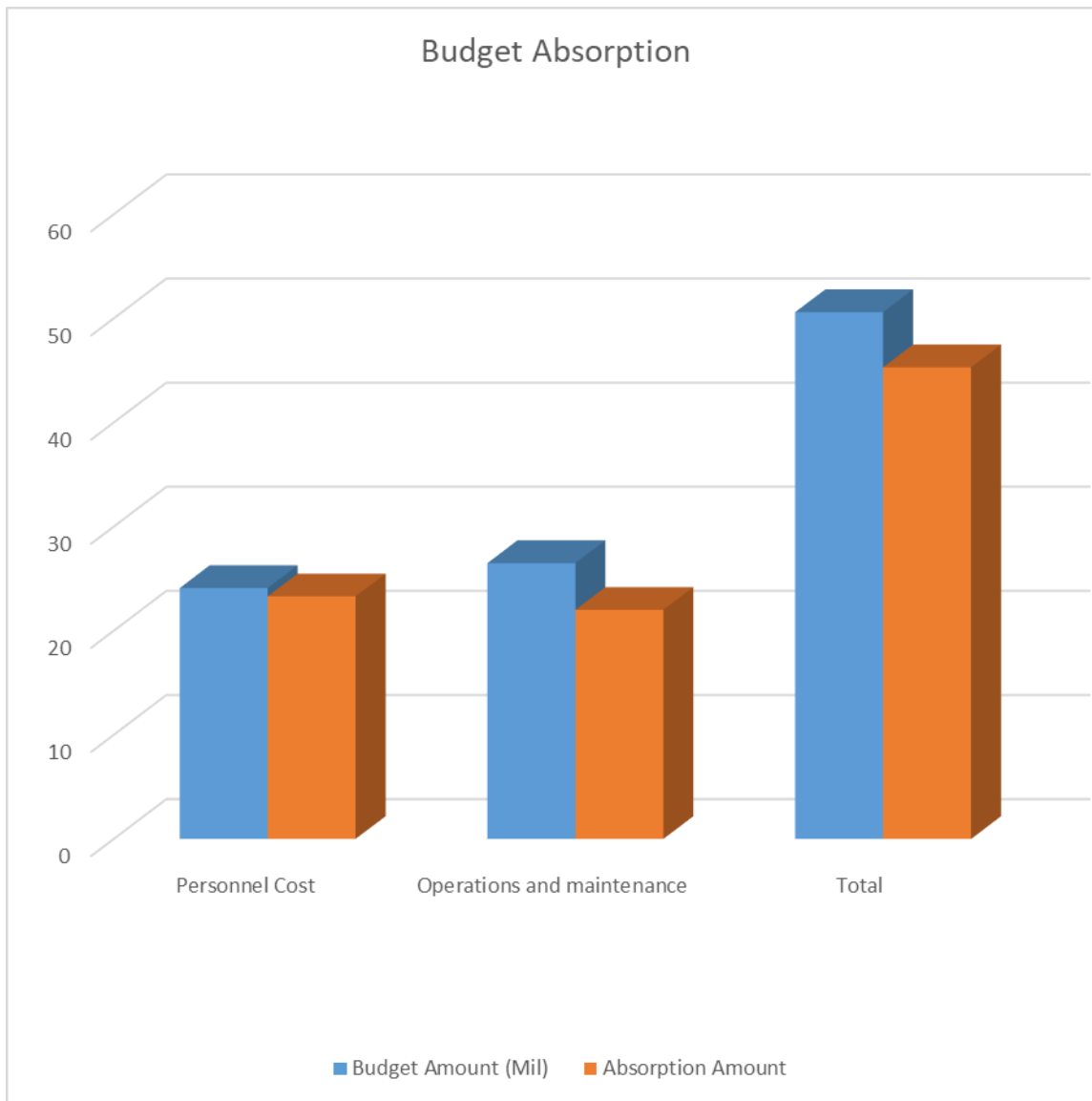


151. The Personnel cost (Compensation to employees) was the higher at 52 %. Operations and Maintenance was the lower beneficiary with 48 %.

Table 27: Public Service Management absorption level in Millions

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	24.1	23.3	96.
2	Operations and maintenance	26.5	22.0	83
	Total	50.6	45.3	90

Graph 11: Public Service Management Absorption analysis



152. Personnel cost was expended at 96%.The department spent 83% of Operations and Maintenance.

8. Lands, Housing and Urban Development

153. The department consists of five directorates; Lands, Survey, Physical Planning, Housing and urban development. Lands directorate handles issues to deal with; Land Survey and Mapping, Boundaries demarcation, and fencing of government lands, Land Information Systems and Land Registry services;

154. Housing directorates focuses on implementation of Housing Policy, Shelter and slum upgrading, Appropriate building and construction technologies, Housing for County Public Service, Development and promotion of low cost rental housing,

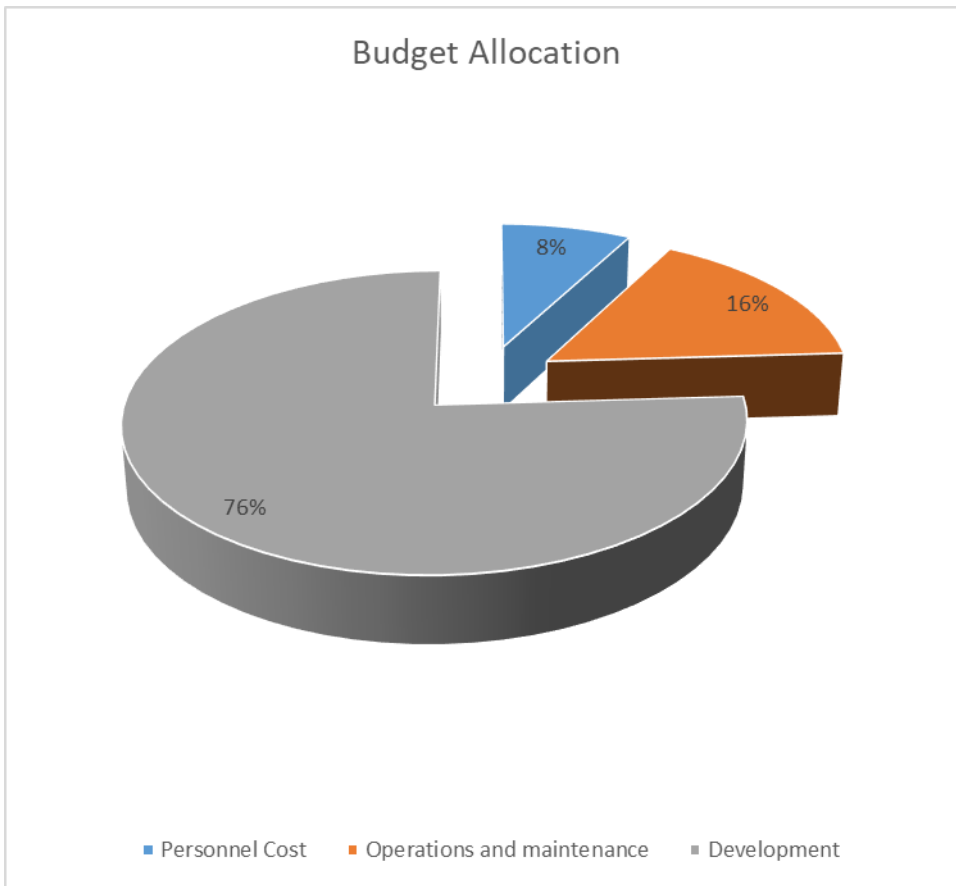
Management of County Government Housing and Leasing of Public Offices and Administration;

- 155.** Urban Development and Physical Planning helps in preparation and implementation of county spatial plans; Preparation of local physical development plans; Implementation of national physical planning policies, strategies and standards; Development, control and enforcement of compliance; Research, Monitoring and evaluation of county spatial planning; Conflict resolution on matters arising from county spatial planning
- 156.** In addition to the above functions, the directorate through Busia and Malaba Town Management Committees oversees the management and coordination of the activities of Urban Areas and Towns.
- 157.** The department is set to implement the valuation roll for urban centres in the county which is done in conjunction with the Busia County rating Act
- 158.** Urban directorate is receiving conditional grant from World Bank through Kenya Urban Support Programme (KUSP) which would see improved operations in Busia Town. The KUSP funds would be basically used within the Municipality to; Development, modernization and maintenance of urban roads, street lighting/mass lighting, storm water management which would include establishment of pavements and pedestrian paths, maintenance of shades at Bus Park and stages, establishment and maintenance of sanitation blocks within municipality, establishment and maintenance of parking lots within municipality.
- 159.** The department was allocated Ksh. 474.2 M. This constituted 5% of the total budget. The budget for the department was divided as follows;

Table 28: Lands, Housing and Urban Development Allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	37.1	7.8
2	Operations and maintenance	77	16.2
3	Development	360.1	76
	Total	474.2	100

Chart 12: Lands, Housing and Urban Development Allocation analysis

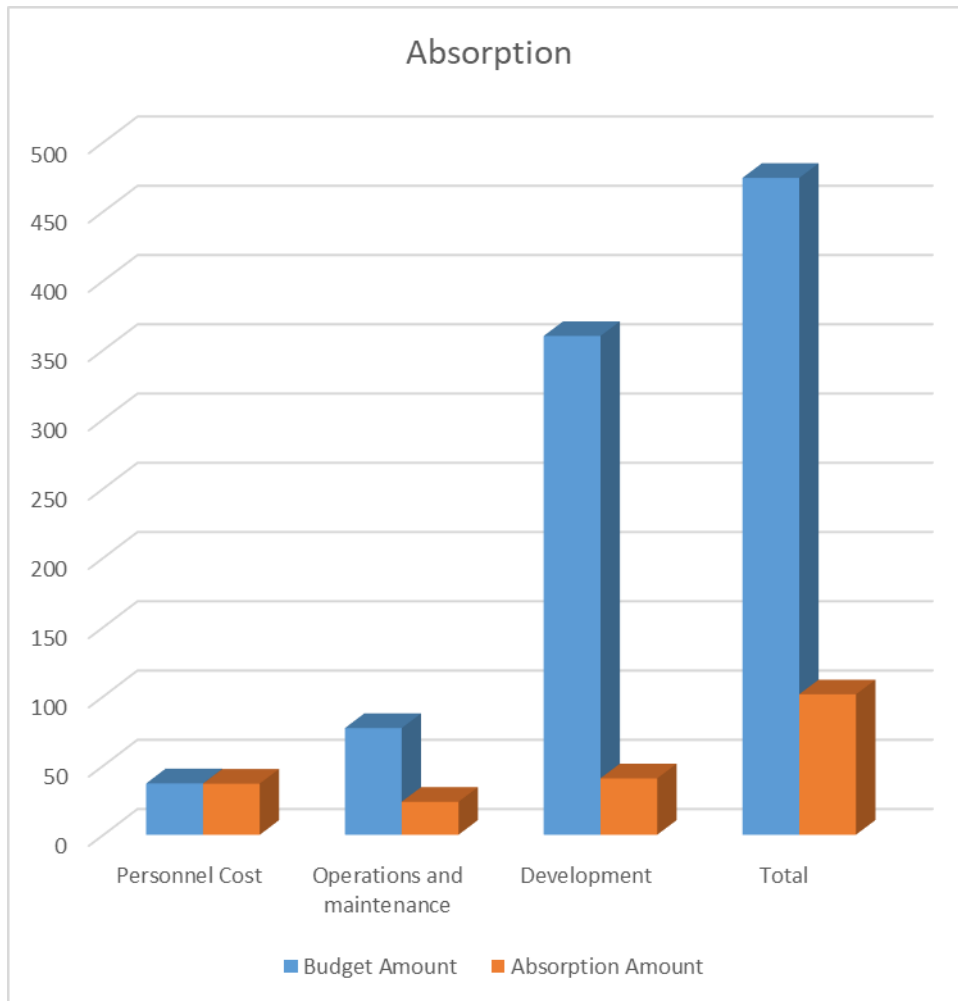


160. Development cost was the highest with an allocation of 76%. Personnel cost (Compensation to employees) had an allocation of 8%. Operations and maintenance got an allocation of 16 %.

Table 29: Lands, Housing and Urban Development absorption level

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	37.1	36.9	99.5
2	Operations and maintenance	77	23.8	30.9
3	Development	360.1	40.7	11.3
	Total	474.2	101.4	21.4

Graph 12: Lands, Housing and Urban Development Absorption analysis



161. The total absorption was 21%. The Personnel vote was fully expended. Development vote absorption represented 11.3% and 30.9% of O& M vote was spent.

9. Water, Irrigation, Environment and Natural Resources

162. The department’s vision is to create reliable Access to Clean and Safe Water, Secure Environment for Sustainable Development.

163. 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. As this is being implemented, the Department will look beyond pure infrastructure investment requirements and introduce interventions for ensuring that the infrastructure addresses challenges of professional service delivery, sustainable operation and maintenance, adequate access to services and protected water catchment

zones that include the many river sources, both permanent and seasonal, and wetlands that run across the county and need protection and rehabilitation. The vegetation cover will increase to levels that will influence Environmental changes and have direct impact on climate change and quality of water.

- 164.** By accessibility, 86% of the county's population has access to safe water with 700 people per water point being the county individual source accessibility level. Teso North Sub County has a high number of people sharing a water point with 1200 people sharing a source compared to Butula and Matayos subcounties that have 300 people per water point.
- 165.** The county sewer connectivity stands at 2.5% and limited to Busia Municipality with a standard sewer treatment plant. However, the Malaba – Kocholya water and sewerage project has been contracted with support from Africa Development Bank (ADB) that is funding the project. When complete, the project will address water and sewer challenges in Malaba Township and increase the county sewer connectivity.
- 166.** During the year under review, the department's development implementation rate stood at 39.3%. The department drilled 28 new boreholes across the county, 12 of which were equipped with hand pumps and 16 boreholes equipped with Solar Pumping Systems and thus increasing the number of functional solar pumping systems to 191 with provision for water pipeline extensions. This has led to increased access to water sources thus reducing water conflicts, improved water quality which in turn results into good health, sufficient time for other social economic activities due to reduction in time used in search of water as an important commodity.
- 167.** Water for irrigation is a limiting factor for enhancing sustainable irrigation systems. To ensure reliable and efficient irrigation systems, the irrigation sub-sector will ensure enhanced water storage, land reclamations and appropriate abstraction from rivers and lake for well managed schemes to produce a variety of crops for food security through irrigation Livestock farming and to build resilience towards climate change with the aim of realizing Sustainable Development Goals (13) and (15).
- 168.** Irrigation infrastructure at Wakhungu, Munana, Sidoho, Bukiri, Matabi, Muduru, Namalenga, Namboboto, Changara and Ong'aro water pans was also developed besides the feasibility study for the Lower Nzoia Irrigation project that was conducted that was funded by the World Bank.

169. Implementation of 2018/2019 budget was faced by various challenges which included but not limited to slow procurement process caused by introduction of E-Procurement, improper planning of Ward fund projects and weak departmental Monitoring and Evaluation system.

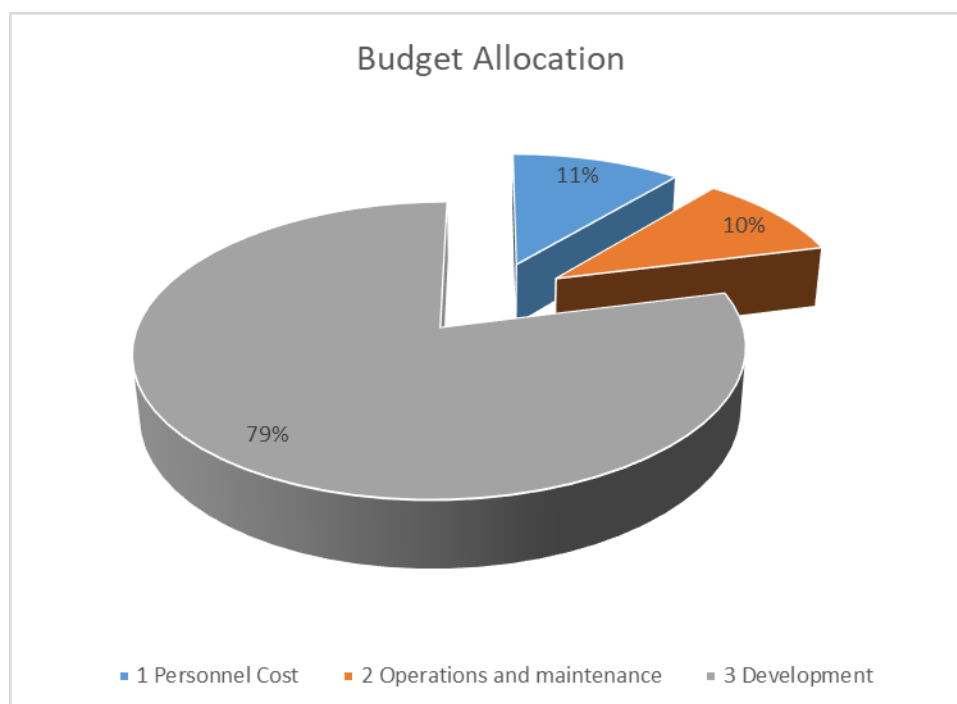
170. During the medium term period, the department has put emphasis on implementing programmes that will improve equity in access to quality water & sewerage services and conserve the environment to prevent the effects of global warming, combat desertification, halt and reverse land degradation and halt biodiversity loss.

171. The department was allocated Ksh. 599.6 M. This constituted 7% of the total County budget. This is distributed as follows:

Table 30: Water, Environment and Natural Resources allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	65.9	11
2	Operations and maintenance	60.2	10
3	Development	473.5	79
	Total	599.6	100

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

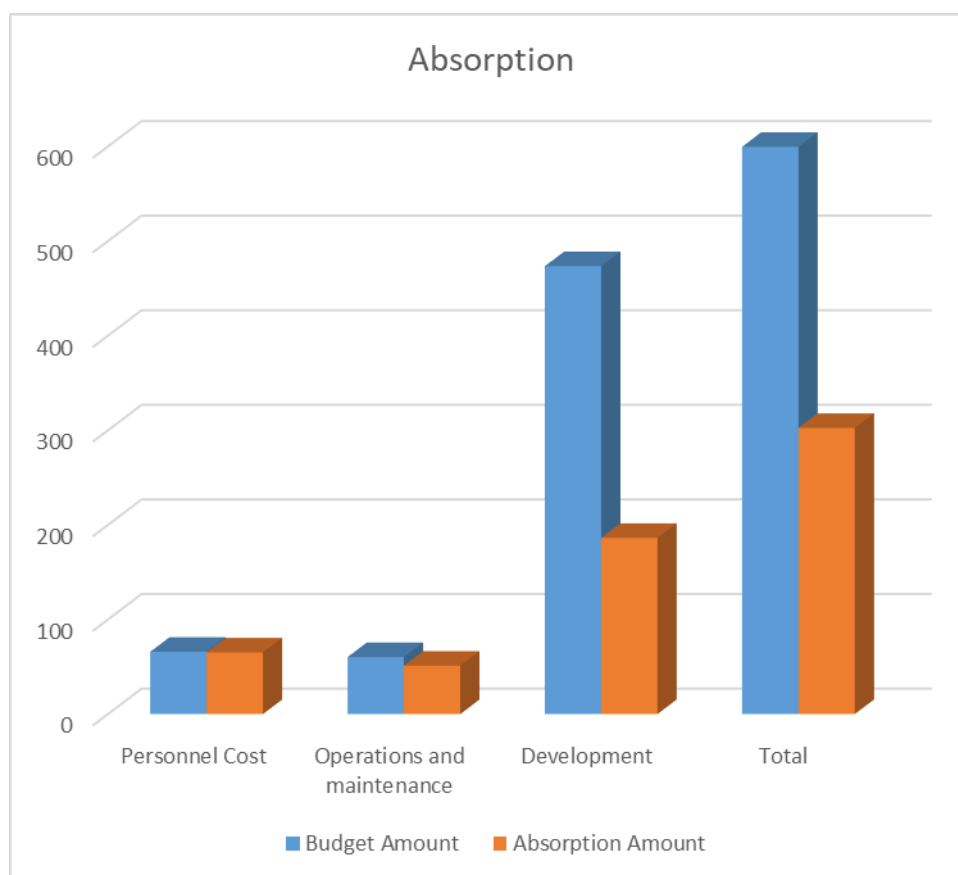


172. Development allocation was the highest at 79%. The Personnel allocation (Compensation to employees) took an allocation of 11% while Operations and Maintenance was least at 10%.

Table 31: Water, Environment and Natural Resources absorption level in Ksh. Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	65.9	65.1	98.8
2	Operations and maintenance	60.2	51.1	84.9
3	Development	473.5	186.2	39.3
	Total	599.6	302.4	50.4

Graph 13: Water, Environment and Natural Resources absorption analysis



173. The development vote was utilized at 39.3% absorption rate. Personnel allocation was fully expended while Operations and Maintenance stood at 84.9% absorption rate. Total departmental absorption was 50.4%.

10. Health and Sanitation

- 174.** The department implements its mandate through three areas of focus namely; Administration and Support services, Curative and Rehabilitative Health Services and Preventive and Promotive Health Services. It is responsible for providing quality healthcare services to the people of Busia County and its environs.
- 175.** As compared to the previous year, the department experienced a rather calm implementation period devoid of disruption through industrial actions and others. A number of achievements were noted on both the mainstream projects, allocation on grants and the ward projects for the period 2018/2019. The department provided both out-patient and inpatient services at Busia County Referral Hospital (Level 5) and 121 other facilities categorized as level 4, 3 and 2. Community health services was also enhanced during the period under review through strengthening of the Community strategy with significant assistance from health partners. During the review period, a total of 184 Community Units and 2061 community health workers were active and reporting.
- 176.** Nutrition Unit entered into partnership with Nutrition International to supplement in the area of Maternal and Child nutrition activities. On Vitamin A supplementation, the department surpassed the national target of 80% achieving 97% well above the national target of 80%. However infant feeding and adolescent nutrition is still a challenge in the county. The department successfully piloted adolescent health & nutrition education & folic acid supplementation for adolescent girls & boys in schools. The department scaled up baby friendly community initiative in 19 CUs to improve maternal and infant nutrition.
- 177.** Under commodities and supplies, the department allocated Kshs. 137 Million for the same, though this was extremely insufficient to meet the department's needs. The key supplier remained KEMSA but was partially supplemented by Meds and Local suppliers. The department made an additional order of Kshs. 70Million to mitigate stock outs as the initial allocation is insufficient
- 178.** Under RMNCAH (Reproductive, Maternal, Newborn, Child and Adolescent Health) there was significant improved in fully immunized Child Indicator, from 70% to 88%. However, on skilled delivery indicator, the department maintained status quo, at 60%.
- 179.** Under the HIV programme, there was marked improvement in adolescent viral suppression. Also under the 90/90 target, there were significant strides made in identifying persons with HIV. Partners including AMPATH continued to support the

programme by offering comprehensive care to patients. However, HIV prevalence rate has maintained at 7.7%

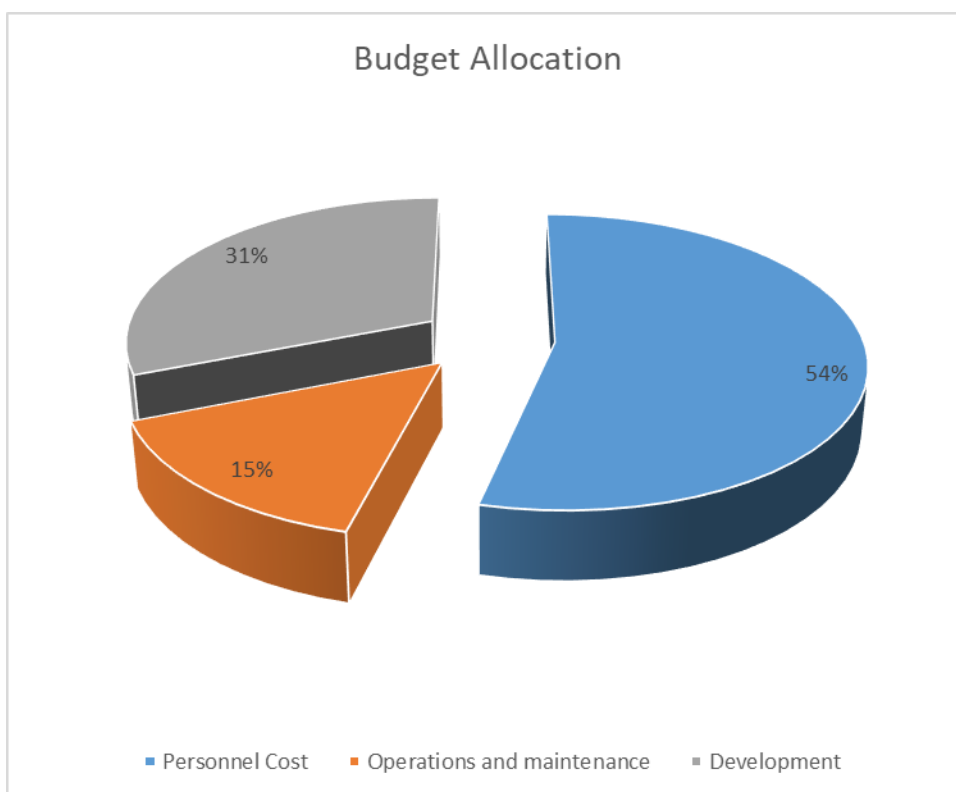
- 180.** TB cure rate for 2018-2019 improved by a percentage to 86% from 85% in the previous year. This could be attributed to improved diagnosis through use of TB LAM, meaning more cases of TB positives are identified.
- 181.** On environmental Health, Training of communities and technical staff on importance of maintaining the open defecation free status progressed through the SANMARK Project. There was also upgrading of community latrines and liquid waste management. Deworming of school children, condom distribution, outbreak investigation and response was also undertaken.
- 182.** On projects, the department was allocated Kshs. 281.6 million for various projects under the Kenya Devolution Support Programme (KDSP). This projects were strategically chosen to be implemented at the Level IV hospitals across the county as part of the achievement of Universal Health Coverage. This included 171 Million for infrastructure development & a further 111 Million for equipment. During the period of implementation, All the 14 infrastructure projects were advertised & awarded .For the equipment, all were advertised ,though some were carried over for re-advertisement due to failure to meet threshold by bidders.
- 183.** The accident and Emergency Block at BCRH was allocated Kshs. 44M in the FY 2018/2019 and the civil works are near completion, in preparation for commissioning in the current financial year.
- 184.** The Kshs.9M and 4 M allocated for Malaria & HIV sub programmes respectively were expended on activities geared towards reducing both prevalence's. Activities included; community dialogue days, moonlight VCTs and commemoration of World AIDS & Malaria days
- 185.** Among project achievements during the period under review, the second County Drug store was renovated to completion. With assistance of Global implementation solutions (GIS) 5 health facility laboratories were renovated, equipped and staff trained on QMS and lab internal audit. The Department also procured 5 autoclaves at Kshs. 295,000 for the sterilization of surgical equipment and linen to prevent hospital acquired infections.
- 186.** Under the World Bank THS Grant, a number of procurements were undertaken. This included procurement of a utility vehicle at Kshs 6,424,000. Others were an assortment of equipment, operating sets and data tools and capacity building activities including trainings, outreaches, school health programmes and monitoring and evaluation activities including data review meetings.

- 187.** Three laundry machines were procured during the period for Khunyangu, Busia referral hospital and Alupe Hospitals. This has greatly improved patient linen sanitation. Two more additional dispensaries were opened to enhance service delivery i.e Muyafwa and Aloet dispensary
- 188.** The risks anticipated going forward are mainly; inadequate funding due to insufficient financial resources, poor cash flow, inflation and frequent industrial actions inherent in the health sector.
- 189.** Going forward, the department will focus on achievement of Universal Health Coverage through implementation of the following programmes in the coming financial year and the medium term. They include; Commissioning and sustaining of all projects implemented under the Kenya Devolution Support Programme, Equipping & commissioning of the Accident and Emergency unit at BCRH, Completion and equipping of theatres at Khunyangu and Nambale Sub County Hospitals, procurement of X-ray machines at Khunyangu & Sio Port Hospitals, construction and equipping of dental unit at Alupe among others.
- 190.** The department will also ensure that all health facilities (Nambale, Khunyangu and Sio-Port Hospitals) are fully equipped and the existing equipment are serviced promptly as required.
- 191.** The RMNCAH indicators shall also be further strengthened by investing more on immunization outreaches, adolescent health interventions and family planning to reverse the health trends towards quality healthcare to the population
- 192.** 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.
- 193.** The department was allocated Ksh 1,979.4 M. This constituted 22% of the total budget. The budget for the department was divided as follows

Table 32: Health and Sanitation allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	1067.3	53.9
2	Operations and maintenance	298.3	15.1
3	Development	613.8	31
	Total	1979.4	100

Chart 14: Health and Sanitation allocation analysis

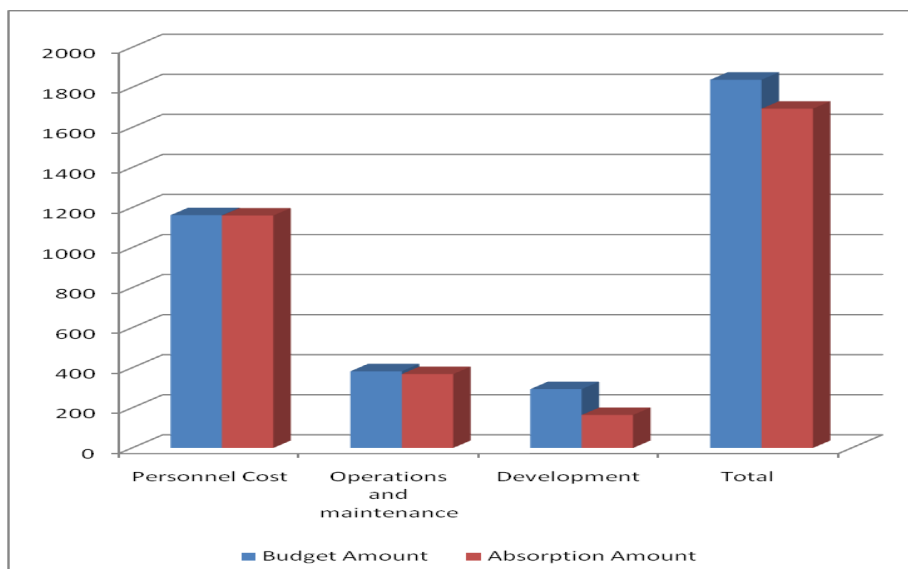


194. Personnel allocation (Compensation to employees) took the highest allocation of 54%. This is because of the high number of staff who are deployed in all county health facilities and community level. However, the department is still faced with shortage of key staff. The development vote stood at 31% while Operations and maintenance got an allocation of 15% of the department’s budget.

Table 33: Health and Sanitation absorption level in Ksh. Million

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	1067.3	1,067.1	99.9
2	Operations and maintenance	298.3	288.7	96.8
3	Development	613.8	224.5	36.6
	Total	1979.4	1580.3	79.8

Graph 14: Health and Sanitation absorption analysis



195. The personnel allocation was fully expended at 100%. The Operations and Maintenance vote managed a 96.8% absorption capacity while development managed 36.6%.

11. The County Public Service Board

196. The sector envisions being a beacon of professionalism, integrity, equity and dedication to quality public service. To achieve its vision the sector provided efficient and effective professional services for the realization of Busia County and national development goals through competitive recruitment, planning, developing and managing human capital.

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

198. In ensuring institutional professionalism and good governance, The Public Service Board promoted transparency, accountability and adherence to national values and principles through enforcement of Leadership and Integrity Act, 2012, Public Officer Ethics Act, Performance management systems and Training curriculum.

199. To Promote service delivery in the county public service, The CPSB ensured human resource requirements were addressed effectively through developing an integrated electronic human resource database to facilitate HR Planning, reviewing existing and develop new HRM/D policies and guidelines, develop human resource in the County Public Service, develop human resource plans for the county, exploiting research

technology and innovation and enhancing capacity of Board members and the Secretariat staff.

200. In the Financial Year under Review the Board was allocated Ksh 48,357,900 comprising of Ksh. 26,905,500 as personnel costs and Ksh 21,452,400 for operations and Maintenance.

201. The Board undertook recruitment of staff in the following Departments: Agriculture and Animal Resources, Education and Vocational Training, Health and Sanitation, Enforcement & Security and Office of the Governor.

202. The Board also carried out promotions of staff in the following Departments:

- 1) Health and Sanitation.
- 2) Roads, Public Works, Transport and Energy
- 3) Finance, Economic Planning and ICT
- 4) Agriculture and Animal Resources
- 5) Public Service Management
- 6) Trade, Co-operatives and Industrialization
- 7) Water, Environment and Natural Resources
- 8) Youths, sports, culture, tourism and social services
- 9) Office Of the Governor
- 10) Lands, Housing and Urban Development

203. To continuously improve on service delivery the Board did develop the following policies which are in draft form awaiting validation by stakeholders: Discipline policy, Recruitment and Selection Policy, Casuals Handbook, Training and Capacity Building and Code of Conduct for Board Members for County Public Service Board.

204. In the medium term the CPSB intends to:-

- Finalize the formulation of policies which are currently awaiting validation by stakeholders.
- Promote County staff who are due for promotions and organize inductions for newly recruited staff.
- Build the County Public Service Board Capacity to deliver on its mandate.
- Improve the governance index in the public service by promoting National Values and Principles of Governance and Values and principle of Public Service,

Risk to The Outlook

- Inadequate budgetary allocation;

- Shortage of Staff: - The Board currently has only six (6) secretariat staff against an approved Establishment of 34.This makes it difficult to operate smoothly.
- Shortage of office space:-The CPSB Boardroom was converted into an office for the CEC Member-lands Housing and Urban Development hence the Board was holding its meetings and conducting interviews in the Chairperson’s and other Members’ offices hence inconvenience.

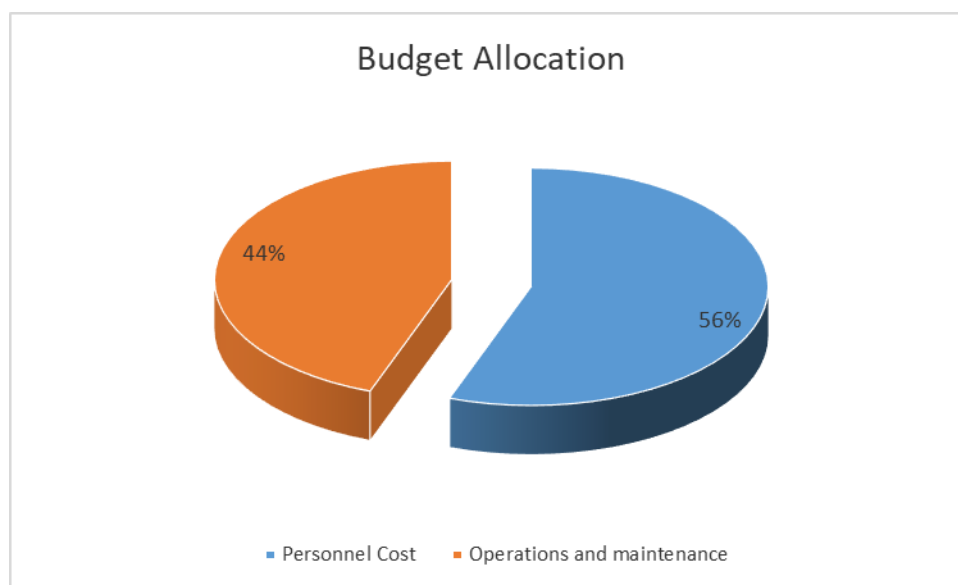
205. The County Public Service Board aims to competitively recruit, plan, develop and manage human capital for effective and efficient public service delivery.

206. The department was allocated Khs. 48.4M. This constituted 1% of the total county budget as follows;

Table 34: The County Public Service Board allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	26.9	55.6
2	Operations and maintenance	21.5	44.4
	Total	48.4	100

Chart 15: The County Public Service Board allocation analysis

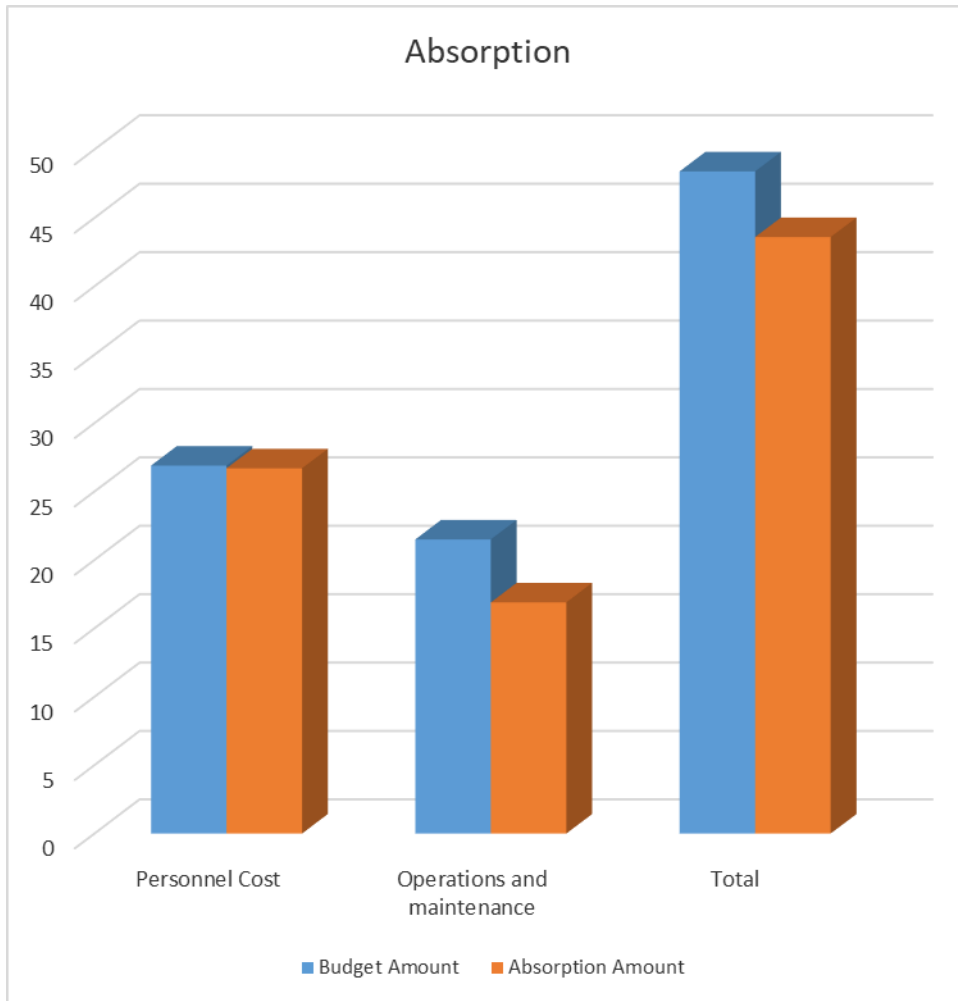


207. The operation and maintenance vote allocation was higher by 56% compared to the Personnel emoluments which had an allocation of 44%.

Table 35: The County Public Service Board absorption level in Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	26.9	26.7	99.3
2	Operations and maintenance	21.5	16.9	76.8
	Total	48.4	43.6	90.1

Graph 15: The County Public Service Board absorption analysis



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

12. Office of the governor

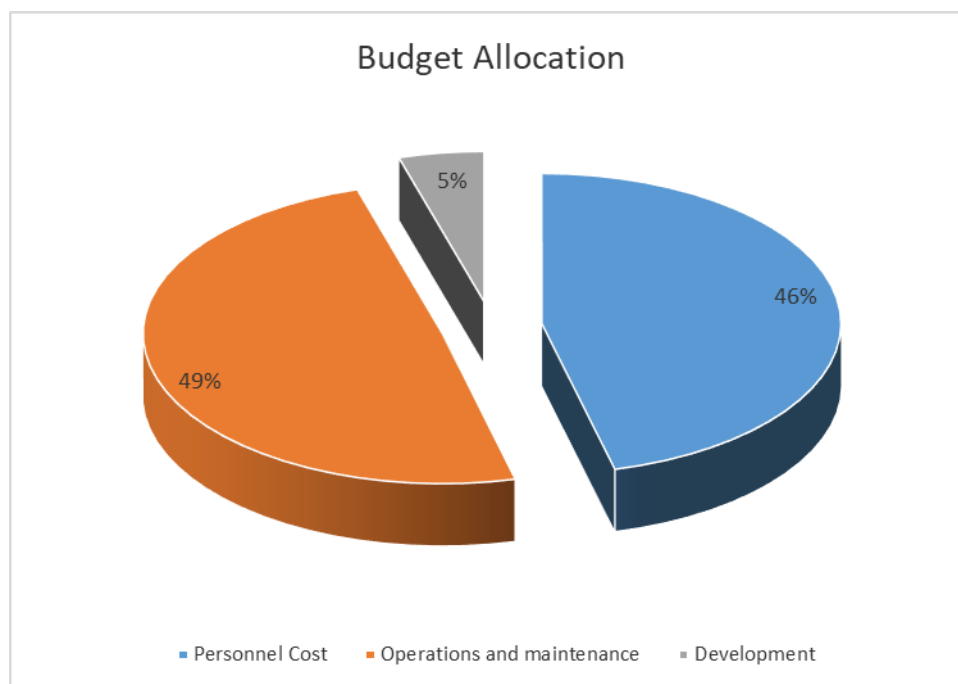
209. The Governorship is comprised of four directorates namely: Public administration, communication, disaster management and enforcement. The Public Administration directorate coordinates public participation across the county to enable citizens’ exercises their sovereignty in policy formulation, project planning and budgeting.

- 210.** The Governorship has also trained county staff on human resource management skill, performance contracting and appraisal after developing performance contracting policy and engaged the county executive committee members, chief officers, directors and other staff in signing performance and appraisal contracts for FY 2018/2019.
- 211.** The disaster management directorate objective is to spread disaster personnel and equipment strategically in preparedness to respond to disaster occurrences immediately, one more modern firefighting engine is to be purchased in the current year and be stationed in Malaba town to help curb spread of fire as experienced in the past occasioned by travelling long distances from the County Headquarters
- 212.** Possible outbreak of fire is attached to too many trucks that are transporting LPG and other fuel related products to the neighboring country Uganda. The directorate has conducted 250 fire compliance inspections for secondary schools and 300 for business premises which resulted in the issuance of 100 fire compliance certificates.
- 213.** The directorate has further trained 50 Health officers on fire management and response. The directorate established three Disaster Command Centres across the county in Amagoro -Teso North which is complete and requires equipment to be operationalized, the county headquarters in Public Works Compound which is under construction and the Funyula disaster centre which needs to be established with the aim of improving efficiency in terms of emergency responses.
- 214.** In the medium term the directorate intends to carry out the following programmes in addition; erect more lightning arrestors, and purchase of emergency rescue truck and utility vehicle.
- 215.** The communication directorate had a number of activities to undertake which enhanced visibility of the County. These included production and broadcast of video documentaries, radio talk show, publishing of newspaper supplements and printing of magazines and pamphlets.
- 216.** Enforcement directorate's main objective is to enhance compliance on county laws. The directorate trained its personnel on the rule of law so as to ensure that the public has full compliance on the county laws especially County Finance Act so as to help boost on the local revenue collection in the county
- 217.** The fiscal performance in 2018/2019 was generally satisfactory. The Office of the Governor was allocated Ksh. 350.7M This constituted 4% of the total budget as follows;

Table 36: Office of the Governor Allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	161.6	46.1
2	Operations and maintenance	173	49.3
3	Development	16.1	4.6
	Total	350.7	100

Chart 16: Office of the Governor Allocation analysis

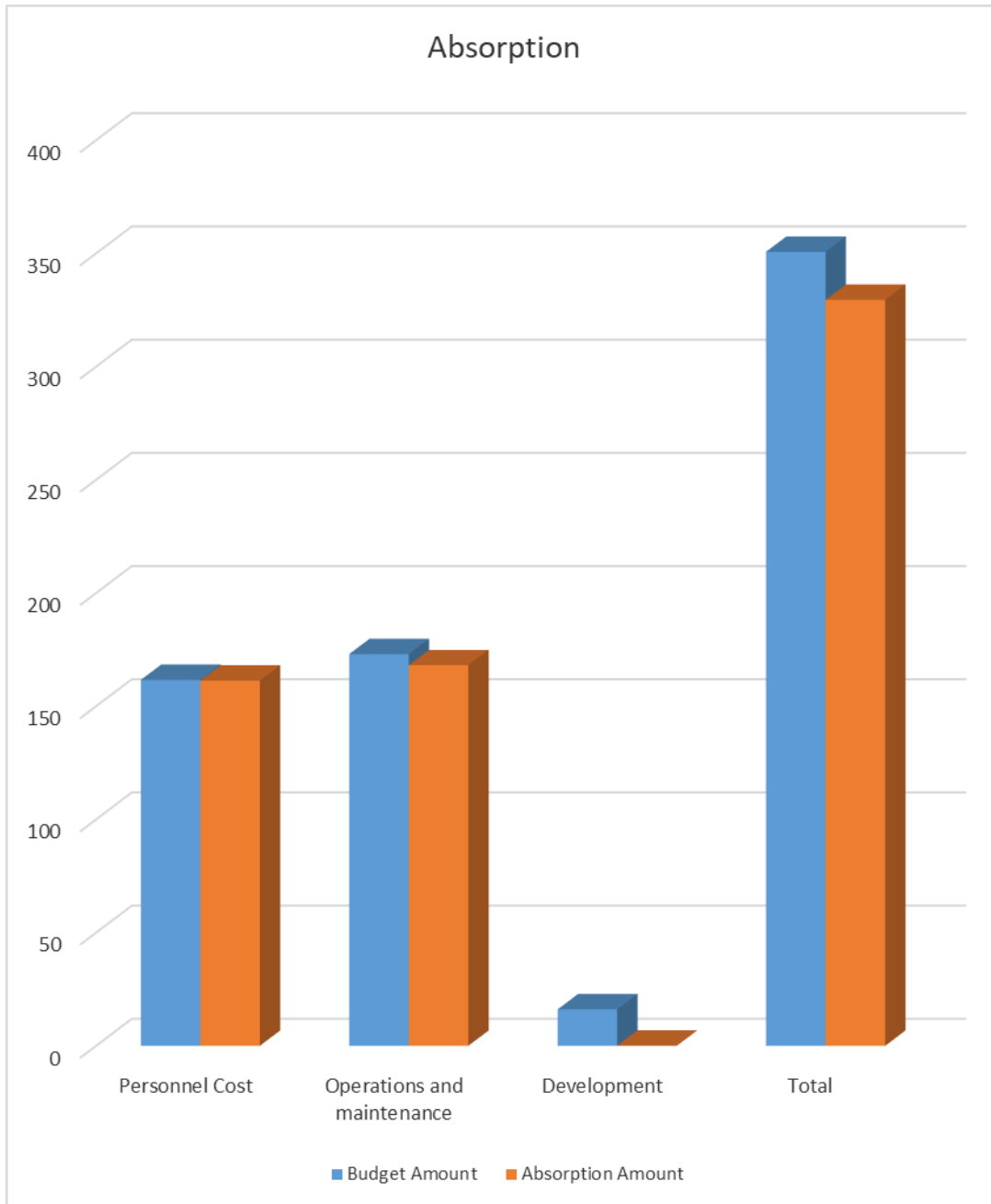


218. The office had a development allocation of 5%, operation and maintenance vote allocation was allocated 49% compared to the Personnel emoluments which had an allocation of 46%.

Table 37: Office of the Governor Absorption level in Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	161.6	161.3	99.8
2	Operations and maintenance	173	168.1	97.2
3	Development	16.1	0.08	0.01
	Total	350.7	329.48	93.9

Graph 16: Office of the Governor Absorption analysis



219. The spending in Personnel Emoluments was 99.8%, Operations and Maintenance 97% and development was 1%.

14. County Assembly

220. The vision of the County Assembly is to be a modern County Assembly that fulfils its constitutional mandate and effectively serves the people of Busia County. The mission is to build an effective County Assembly that is responsive to the needs of the people and that is driven by the ideals of realizing better quality of life for the people of Busia County.

221. The County Assembly’s core functions are to develop legislation, perform oversight and representation.

222. 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 to the people of Busia County.

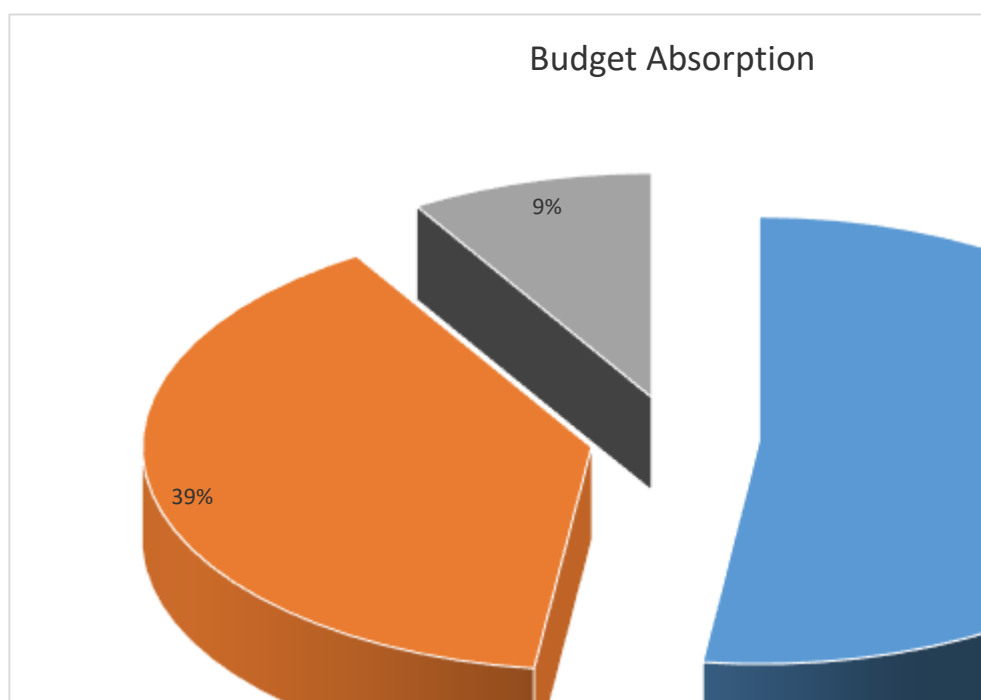
223. The County Assembly was allocated **Kshs. 798.5 Million**. This accounted for **9.05%** of the total County budget. The budget allocation was distributed as follows;

The budget allocation was distributed as follows;

Table 38: County Assembly allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	415.5	52
2	Operations and maintenance	313	39.2
3	Development	70	8.8
	Total	798.5	100

Chart 17: County Assembly allocation analysis

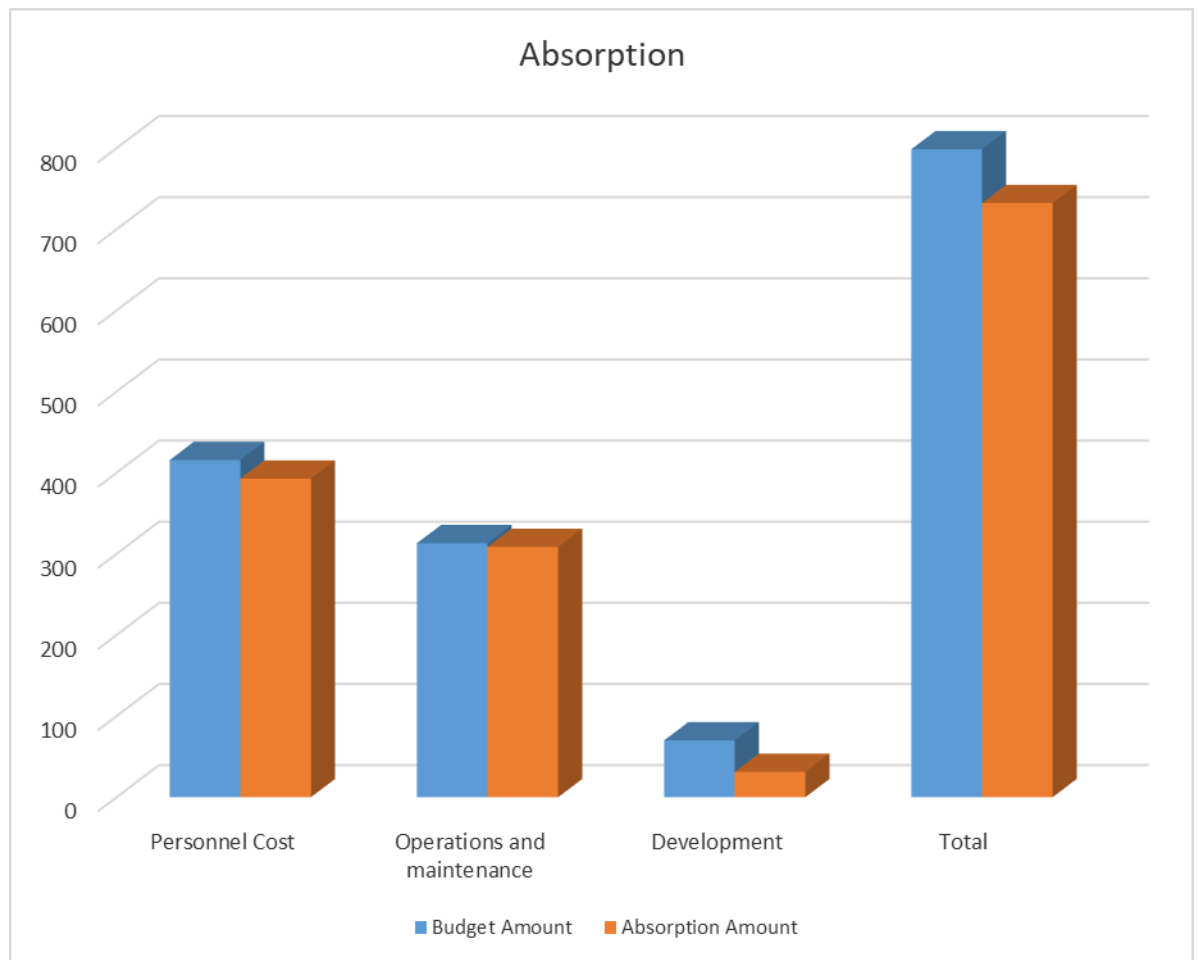


224. The Operations and Maintenance vote got the highest allocation at 52% followed by Personnel which had an allocation of 39%. Development cost allocation took the least allocation of 9%.

Table 39: County Assembly absorption level in Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	415.5	392.6	94.5
2	Operations and maintenance	313	308.3	98.5
3	Development	70	31.2	44.6
	Total	798.5	732.1	91.7

Graph 17: County Assembly absorption analysis



225. Operations and Maintenance absorption was over expended at 98.5%. However, the County Assembly utilized only 44.6% of their development funds. Personnel cost was at absorption rate of 94.5%.

Annex 1: Proposed Departmental Ceilings in Millions

FY 2018/2019					FY 2019/2020				FY 2020/2021			
Department	EC	O&M	Dev	Total	EC	O&M	Dev	Total	EC	O&M	DEV	Total
Agriculture and Animal Resources	182.27	38.34	247.6	468.21	188.20	33.57	355.11	576.9	207.02	36.927	390.621	634.568
Trade, Cooperatives and Industrialization	35.09	22.82	150.7	208.61	34.70	39.63	118.35	192.7	38.17	43.593	130.185	211.948
Education and Vocational Training	200.27	204.86	241.21	646.34	248.86	153.47	131.30	533.6	273.746	168.817	144.43	586.993
Finance, Economic Planning and ICT	290.25	581.81	30.5	902.56	396.24	318.12	60.43	774.8	435.864	349.932	66.473	852.269
Community, Culture Sports and Social Services	25.2	69.79	158.95	253.94	33.87	36.50	29.70	100.1	37.257	40.15	32.67	110.077
Roads, Public Works, Energy and Transport	49.93	29.41	645.79	725.13	59.50	27.93	621.03	708.5	65.45	30.723	683.133	779.306
Public Service Mgt	25.07	26.44	0	51.51	30.71	251.01	0.00	281.7	33.781	276.111	0	309.892
Lands, Housing and Urban Development	27.19	66.79	222.73	316.7	39.79	31.53	205.70	277.0	43.769	34.683	226.27	304.722
Water Environment and Natural Resources	65.91	63.36	410.5	539.77	65.25	42.07	232.48	339.8	71.775	46.277	255.728	373.78
Health and Sanitation	1,067.35	316.09	330.2	1,713.64	1,326.98	312.39	250.30	1,889.7	1459.678	343.629	275.33	2078.637
County Public Service Board	26.91	22.23	0	49.14	26.64	24.35	0.00	51.0	29.304	26.785	0	56.089
The Governorship	126.64	151.84	88.6	367.08	194.62	209.77	81.18	485.6	214.082	230.747	89.298	534.127
The County Assembly	415.49	313.02	55	783.5	433.62	302.94	66.00	802.6	476.982	333.234	72.6	882.816
TOTALS	2,537.55	1,906.80	2581.77	7,026.12	3,078.98	1,783.28	2,151.58	7,013.84	3,386.88	1,961.61	2,366.74	7,715.22

Annex 2: Disbursement of Cooperative Enterprise Development Fund As At 30th June, 2019

NO.	NAME OF SOCIETY	AMOUNT AWARDED	AMOUNT DISBURSED	BALANCE TO BE DISBURSED
1	Bunotsa	1,000,000.00	1,000,000.00	-
2	Bujibi sacco	300,000.00	300,000.00	-
3	Safaricare Sacco	1,700,000.00	1,500,000.00	200,000.00
4	Busia Spartans SACCO	300,000.00	300,000.00	-
5	Busia Techers Ed. Inv CS	2,000,000.00	2,000,000.00	-
6	Igero United SACCO	300,000.00	300,000.00	-
7	Ken Trust Sacco	1,500,000.00	1,500,000.00	-
8	Butula SME SACCO	700,000.00	700,000.00	-
9	Tujipange SACCO	500,000.00	500,000.00	-
10	BUVESO SACCO	700,000.00	700,000.00	-
11	Bumala Business Owners SACCO	700,000.00	500,000.00	200,000.00
12	Malaba Motorbike Riders SACCO	300,000.00	300,000.00	-
13	Malaba Winners SACCO	400,000.00	400,000.00	-
14	Teso North Youth SACCO	1,000,000.00	500,000.00	500,000.00
15	Elaeakidore Women SACCO	300,000.00	300,000.00	-
16	Busia North Sec Schs SACCO	700,000.00	700,000.00	-
17	Alupe V. Women Entrepreneurs	300,000.00	300,000.00	-
18	Teso South Fish Farmers	500,000.00	500,000.00	-
19	Busia Discovery Travellers	500,000.00	500,000.00	-
20	Khalabana SACCO	500,000.00	500,000.00	-
21	Nambale ACK Abayali SACCO	400,000.00	400,000.00	-
22	Indigo SACCO	300,000.00	300,000.00	-

23	Nambale Boresha SACCO	400,000.00	300,000.00	100,000.00
24	Maninga SACCO	500,000.00	500,000.00	-
25	Bunyala Women SACCO	200,000.00	200,000.00	-
26	Bunyala Handcraft & Produce	200,000.00	200,000.00	-
27	Magombe Multipurpose Farmers	1,000,000.00	1,000,000.00	-
28	Bunyala south Juakali	1,800,000.00	1,800,000.00	-
	TOTAL	19,000,000.00	18,000,000.00	1,000,000.00

Annex 3: Disbursement of Agricultural Development Fund as At 30th June, 2019

Sub County		Ward	Amount
Bunyala	1	Bunyala Central	90,000.00
	2	Bunyala North	105,000.00
	3	Bunyala South	100,000.00
	4	Bunyala West	90,000.00
Butula	5	Elugulu	110,000.00
	6	Kingandole	160,000.00
	7	Marachi Central	110,000.00
	8	Marachi East	110,000.00
	9	Marachi North	115,000.00
	10	Marachi West	110,000.00
Matayos	11	Bukhayo West	155,000.00
	12	Burumba	120,000.00
	13	Busibwabo	85,000.00
	14	Matayos South	135,000.00
	15	Mayenje	60,000.00
Nambale	16	Bukhayo Central	60,000.00
	17	Bukhayo East	150,000.00
	18	Bukhayo North	120,000.00
	19	Township	145,000.00

Samia	20	Ageng'a/Nanguba	105,000.00
	21	Bwiri	105,000.00
	22	Namboboto/Nambuku	125,000.00
	23	Nangina	115,000.00
Teso North	24	Angurai East	140,000.00
	25	Angurai North	100,000.00
	26	Ang'urai South	95,000.00
	27	Malaba Central	110,000.00
	28	Malaba North	95,000.00
	29	Malaba South	115,000.00
Teso South	30	Amukura Central	160,000.00
	31	Amukura East	100,000.00
	32	Amukura West	65,000.00
	33	Angorom	120,000.00
	34	Chakol North	100,000.00
	35	Chakol South	125,000.00
Totals			3,905,000.00

Annex 4: Distribution of Subsidized Vocational Training Centers Support Grant (2017/2018-Ksh. 63,706,036)

S/No	Vtcs Name:	Enrolment	Amount	Ward
Teso North Sub County				
1	Amagoro Vtc	232	3,480,000.00	Malaba Central
2	Katakwa Vtc	109	1,635,000.00	Anguria South
3	Angurai Vtc	70	1,050,000.00	Anguria North
4	Onyunyur Vtc	50	750,000.00	Malaba South
5	Amaase Vtc	406	6,090,000.00	Chakol South
Teso South Sub County				
6	Apokor Vtc	199	2,985,000.00	Amukura Central

7	Osuret Vtc	51	765,000.00	Amukura West
Nambale Sub County				
8	Nambale Vtc	130	1,950,000.00	Namabale Township
9	Esidende Vtc	58	870,000.00	Bukhayo Central
10	Khayo Vtc	92	1,380,000.00	Bukhayo East
11	Igara Vtc	133	1,995,000.00	Bukhayo North
Matayos Sub County				
12	Nasira Vtc	20	300,000.00	Busibwabo
13	Matayos Vtc	149	2,235,000.00	Matayos South
14	Busia Twn Vtc	290	4,350,000.00	Burumba
Samia Sub County				
15	Nangina Vtc	202	3,030,000.00	Nangina
16	Namasali Vtc	116	1,740,000.00	Agenganagumba
17	Busibi Vtc	58	870,000.00	Nambomboto/Nambuku
18	Buburi Vtc	44	660,000.00	Agenganagumba
19	Ganga Vtc	78	1,170,000.00	Bwiri
20	Dirakho Vtc	31	465,000.00	Nambomboto/Nambuku
Budalangi Sub County				
21	Busagwa Vtc	167	2,505,000.00	Bunyala Central
22	Bukoma Vtc	108	1,620,000.00	Bunyala West
Butula Sub County				
23	Butula Vtc	199	2,985,000.00	Marachi North
24	Butunyi Vtc	204	3,060,000.00	Marachi West
		3251	47,940,000.00	

Annex 5: Summary of SVTCSG Development Projects (KShs.15, 766,036.00)

S/No	Project	Location	Estimated Amount
1.	Proposed Construction of Administration Block At Bukoma Vocational Training Centre, Bunyala Sub-County	Bukoma Vocational Training Centre, Bunyala Sub-County	4,000,000
2.	Proposed Construction of Administration Block At Nambale Vocational Training Centre, Nambale Sub-County	Nambale Vocational Training Centre, Nambale Sub-County	4,000,000
3.	Proposed Construction of Administration Block At Dirakho Vocational Training Centre, Samia Sub-County	Dirakho Vocational Training Centre, Samia Sub-County	4,000,000
4.	Proposed Construction of Carpentry Workshop At Onyunyur Vocational Training Centre, Teso North Sub-County	Onyunyur Vocational Training Centre, Teso North Sub-County	2,200,000
5.	Proposed Renovation Works At Katakwa Vocational Training Centre	Katakwa Vocational Training Centre, Teso North Sub County	1,566,036
	Total		15,766,036

Annex 6: Distribution of Subsidized Vocational Training Centers Support Grant (2018/2019-Ksh. 46,779,800)

S/NO	VTCs NAME:	TOTAL ENROLMENT	Total Allocation	Grant @11250 per Trainee	DEVELOPMENT	Brief Remarks On The Project
1	AMAGORO VTC	288	46,779,800	3,240,000		
2	KATAKWA VTC	219	46,779,800	2,463,750		
3	ANGURAI VTC	123	46,779,800	1,383,750		
4	ONYUNYUR VTC	56	46,779,800	630,000	1,130,000	Completion Of Carpentry Workshop At Onyunyur Vtc To Be Initiated In Fy By Grant Of 2017/2018
5	AMAASE VTC	336	46,779,800	3,780,000		
6	APOKOR VTC	219	46,779,800	2,463,750		
8	OSURET VTC	128	46,779,800	1,440,000		

9	NAMBALE VTC	104	46,779,800	1,170,000		
10	ESIDENDE VTC	58	46,779,800	652,500		
11	KHAYO VTC	124	46,779,800	1,395,000		
12	IGARA VTC	266	46,779,800	2,992,500		
13	NASIRA VTC	57	46,779,800	641,250		
14	MATAYOS VTC	88	46,779,800	990,000		
15	BUSIA TWN VTC	345	46,779,800	3,777,300		
17	NANGINA VTC	224	46,779,800	2,520,000		
18	NAMASALI VTC	134	46,779,800	1,507,500		
19	BUSIBI VTC	75	46,779,800	843,750		
20	BUBURI VTC	62	46,779,800	697,500		
21	GANGA VTC	94	46,779,800	1,057,500		
22	DIRAKHO VTC	51	46,779,800	573,750		
23	BUSAGWA VTC	210	46,779,800	2,362,500		
24	BUKOMA VTC	86	46,779,800	967,500		
25	BUTULA VTC	152	46,779,800	1,710,000		
26	BUTUNYI VTC	223	46,779,800	2,508,750		
		3722	46,779,800	41,768,550	1,130,000	
	Total Allocation	46,779,800				
		41,768,550				
	Development (Onyunyur VTC)	1,130,000				
	Total Disbursed by 30 th June, 2019	42,898,550				
	Balance	3,881,250				