

COUNTY GOVERNMENT OF KAKAMEGA



DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND ICT

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER
FY 2021/2022**

SEPTEMBER, 2022

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FOREWORD

The County Budget Review and Outlook Paper 2022 has been prepared against a global background of economic slowdown occasioned by the ongoing Russia-Ukraine conflict, effects of the COVID-19 containment measures and higher-than expected inflation worldwide triggered by higher global oil and food prices. As a result, the global economy is projected to slow down to 3.2 percent in 2022 from 6.1 percent 2021.

On the domestic scene, the Kenyan economy has demonstrated remarkable resilience and recovery to the COVID-19 shock due to the diversified nature of the economy and the proactive Government measures to support businesses. Consequently, the growth economy grew by 7.5 percent in 2021 following a modest 0.3 percent contraction in 2020. Kakamega County contributed 2.2 percent to the country GDP

The County's GCP is expected to remain constant by an average of 2.2 percent in 2022 and above 2.5 percent over the medium term. This outlook will be reinforced by continuous provision of subsidized farm inputs, promotion of dairy farming through one cow initiative programme and grants to Co-operative Societies. To support growth of businesses, the government through the Micro-Finance Corporation is providing low interest loans to Small and Medium Enterprises (SMEs). Through the department of social services, the government was able to support vulnerable members of the society through provision of food stuffs and empowering youth and women through creation of employment opportunities.

The fiscal performance of the FY 2021/22 budget was below target by 12.5 per cent owing to own source revenue shortfall and delayed exchequer disbursements. The total own source revenue collection was 76.3 per cent which fell short of the target majorly due to political disruptions on economic activities. The overall absorption rate was 87.41 per cent comprising of 94.2 per cent and 76.0 per cent for recurrent and development expenditure respectively. The total employee compensation excluding the County Assembly was 36.9 per cent of total revenues for the year, expenditure on Operation and Maintenance (O&M) was 21.3 per cent while development expenditure accounted for 32.8 per cent.

In light of the above, the focus of the FY 2023/24 budget and the Medium-Term Expenditure Framework shall be to increase own source revenue collection by expanding existing revenue base. The Kakamega County Revenue Agency (KCRA) is currently working on finding the best strategies to ensure the current actual revenue collection is optimized to match the County revenue potential.



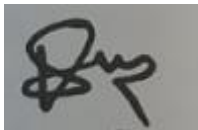
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County Executive Committee Member
Finance, Economic Planning & ICT

ACKNOWLEDGEMENT

The County Budget Review and Outlook Paper (CBROP) 2022 has been prepared in accordance with the Public Finance Management (PFM) Act, 2012 and its Regulations. The document provides the fiscal performance for the FY 2021/22, the macro-economic projections and sets the sector ceilings for the FY 2023/24 and the Medium-Term Expenditure Framework. The paper also provides an overview of how the actual performance of the FY 2021/22 affected our compliance with the fiscal responsibility principles and the financial objectives spelt out in the PFM Act, 2012.

The preparation of this paper was a collaborative effort of various County Departments and Agencies. I thank H.E The Governor and H.E the Deputy Governor for their leadership and guidance. I also thank all the County Executive Committee Members and the Chief Officers for the coordination of their departments that ensured timely provision of useful data and information on budget execution for the FY 2021/22.

I wish to thank the technical team from the Department of Budget, Financial Reporting Unit, Accounting and Economic Planning that coordinated the development of this paper.



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LIST OF ABBREVIATIONS

ADP	Annual Development Plan
ASDSP	Agricultural Sector Development Support Programme
BPS	Budget Policy Statement
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CTRH	County Teaching and Referral Hospital
DANIDA	Danish International Development Agency
ECDE	Early Childhood Development Education
FY	Financial Year
GCP	Gross County Product
GDP	Gross Domestic Product
GoK	Government of Kenya
HSSF	Health Sector Service Fund
KCSAP	Kenya Climate Smart Agriculture Project
KDSP	Kenya Devolution Support Program
KNBS	Kenya National Bureau of Statistics
KUSP	Kenya Urban Support Program
MTEF	Medium Term Expenditure Framework
MTP	Medium-Term Plan
O&M	Operations and Maintenance
PFM	Public Financial Management
SWGs	Sector Working Groups
TVET	Technical and Vocational Education Training
TVETA	Technical and Vocational Education Training Authority
V 2030	Vision 2030

Legal Basis for the preparation 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 Financial Management Act, 2012. The law states that:

1. A County Treasury shall-
 - a) prepare a County Budget Review and Outlook Paper in respect of the County for each financial year; and
 - b) Submit the paper to the County Executive Committee by 30th September of that year.
2. In preparing its county Budget Review and Outlook Paper, the County Treasury shall specify-
 - a. Details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
 - b. The updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent Budget Fiscal Strategy Paper;
 - c. Information on-
 - i. Any changes in the forecast compared with the County Fiscal Strategy Paper; or
 - ii. How actual financial performance for the previous financial year may have affected compliance with fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
 - d. The reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviations and the time estimated to do so.
3. 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
4. Not later than seven days after the CBROP is approved by County Executive Committee, the County Treasury shall: -
 - a) Arrange for the paper to be laid before the County Assembly; and
 - b) As soon as practicable having done so, publish and publicize the paper.

Fiscal Responsibility Principles in the Public Financial Management Law

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

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

- 1) The county government's recurrent expenditure shall not exceed the county government's total revenue.
- 2) Over the medium term, a minimum of thirty percent (30%) of the county government budget shall be allocated to development expenditure
- 2) The county government's expenditure on wages and benefits for public officers shall not exceed 35 percent (35%) of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly.
- 3) 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
- 4) County debt shall be maintained at a sustainable level as approved by County Assembly.
- 5) Fiscal risks shall be managed prudently.
- 6) 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

1.1 Overview

1. This budget review has been prepared by the County Treasury through collaborative and consultative process in line with the law and according to section 118 of the Public Finance Management Act, 2012. The County Budget Review and Outlook Paper (CBROP) contains a review of the fiscal performance of the financial year 2021/2022 and the updated macroeconomic forecasts.
2. The CBROP is a key document in linking policies, planning and budgeting. Emerging issues from CBROP shall be accommodated in the County Integrated Development Plan (CIDP 2023-2027). In addition, it updates the County's changing priorities and it is the basic document that guides budget preparation and planning for County entities.

1.2 Objectives of CBROP

3. The 2022 CBROP provides a review of the previous fiscal performance and its impact on the financial objectives and fiscal responsibility principles set out in the latest County Budget Fiscal Strategy Paper (CFSP) prepared in line with the latest Budget Policy Statement (BPS). This together with updated macro-economic outlook provides a basis for revision of the current budget in the context of Supplementary Estimates and the broad fiscal parameters underpinning the next budget and the Medium-Term Expenditure Framework (MTEF).
4. The 2022 CBROP provides sector ceilings which will guide the budget preparation process for the FY 2023/24 and the medium term. The sector ceilings are based on the overall resource envelope that is informed by the medium-term macro-fiscal projections.

1.3 Organization of the document

5. The paper is organized as follows: Section I provides an introduction and the legal basis for the preparation of the CBROP 2022. Section II provides a review of the fiscal performance in FY 2021/2022 and its implications on the financial objectives set out in the previous MTEF submitted to the County Assembly in June 2022. Section III provides brief highlights of the recent economic developments and updated macroeconomic outlook in the country. Section IV provides the resource allocation framework, while Section V gives the conclusion and recommendations.

II. REVIEW OF FISCAL PERFORMANCE IN FY 2021/2022

A. Overview

6. The fiscal performance and absorption of approved budget of FY 2021/2022 slightly improved as compared to the previous FY 2020/2021 following the recovery of the economy from the adverse impact of COVID-19 pandemic.
7. The County own source revenue collection performance recorded a growth of 9.21 percent higher compared to the previous financial year. In the FY 2021/2022, the County collected KES 1.221 Billion compared to KES 1.118 Billion in FY 2020/2021 which fell short of the revised target of KES 1.60 Billion by KES. 379 Million. This was mainly attributed to disruption in economic activities as a result of political interference
8. On the other hand, the revenue from the National Government consisted of equitable share of KES 11,398,259,193 and total Conditional grants of KES 506,365,792. The summary of transfers from the National Government including conditional grants is presented in Table 1.

Table 1: Summary of transfers from the National Government

Revenue Item	Amount disbursed (KES)	
	2020/2021	2021/2022
Equitable shareable revenue	10,412,850,000	11,398,259,193
Grant to Level 5 Hospital	427,283,237	-
World Bank-THS-UCP	48,766,265	61,784,877
DANIDA-UHDSP	29,610,000	11,535,563
World Bank-KCSAP	270,715,346	183,593,135
World Bank-KUSP(Development)	212,372,591	154,906,744
World Bank-KUSP(Recurrent)	8,800,000	
Roads Maintenance Levy Fund	315,071,072	
Grants to County Youth Polytechnics	102,349,894	-
User Fee foregone	37,789,290	-
Kenya Devolution Support Programme (KDSP) Level 2	78,009,910	78,009,910
Kenya Devolution Support Programme (KDSP) Level 1	45,000,000	-
Agricultural Sector Development Support Programme (ASDSP)	14,542,117	16,535,563
Total	11,236,345,926	12,895,781,594

B. Fiscal Performance for FY 2021/2022

B.1.Revenue Performance

9. As provided in Table 2, the total own source revenue collection amounted to KES 1.221 Billion (76.31%) compared to the target in the revised budget of KES 1.60 Billion. This represents a revenue shortfall of KES 379 Million (23.69 % deviation in the revised budget). The National Government disbursements amounted to KES 12.895 Billion. This amount consisted of conditional grants amounting to KES 506 Million and equitable shareable revenue of KES 11.398 Billion. The actual revenue for spending therefore was KES 14.691 Billion. These funds include the transfers from the National Government and the balance brought forward from the FY 2020/21 of KES. 1.086 Billion and KES. 632 Million for equitable shareable revenue and conditional grants respectively.

Table 2: Summary of Revenue performance

Revenue	Actual Receipts (KES)	Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Percentage performance
	2020/2021	2021/2022			
Equitable shareable	10,412,850,000	12,389,412,168	12,389,412,168	11,398,259,193	92
Conditional grants	1,581,509,722	691,090,920	691,090,920	351,462,683	50.86
Balance brought forward					
Equitable Share	1,057,513,635	965,400,461	1,086,858,032	1,086,858,032	100
Conditional Grants	1,224,882,081	309,626,239	632,877,875	632,877,875	100
Own source revenue	1,118,235,983	2,113,000,000	1,600,000,000	1,221,675,350	76.35
Total revenue	15,394,991,421	16,468,529,788	16,400,239,995	14,691,133,133	89.58

Table 3: Detailed Revenue performance for FY 2020/2021

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021	2021/2022				
Own sources	1,180,803,459	1,118,235,983	2,113,000,000	1,600,000,000	1,221,675,350	378,324,650	
Single Business Permits	73,590,133	146,734,359	185,000,000	187,000,000	130,976,710	(56,023,290)	Most businesses closed down due to inflation and continuous Covid-19 effect.
Market Fees/Barter Market	23,269,805	19,941,214	42,000,000	35,000,000	15,671,606	(19,328,394)	Political interference led to non-compliance from traders
Property Rates	21,997,559	26,004,656	492,000,000	35,000,000	29,217,202	(5,782,798)	Use of outdated valuation roll
Agricultural Cess	49,821,550	53,517,028	62,964,219	50,000,000	58,265,921	8,265,921	Continuous operations at the sugar factories

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021	2021/2022				
							and increased compliance checks.
Cess on Murrum	-	2,007,159	8,035,781	9,000,000	2,270,080	(6,729,920)	Minimal construction activities within the county
Slaughter House Fee	7,437,500	3,681,896	15,300,000	14,000,000	3,376,950	(10,623,050)	Closure of slaughter houses due to outbreak of animal diseases (FMD)
Bus Park Fee	25,255,360	22,167,910	45,000,000	45,000,000	30,504,150	(14,495,850)	Sabatia bus park was closed down due to land dispute. Kipkaren bus park is in a dilapidated state hence hindering enforcement of revenue
Street Parking	9,575,180	15,341,420	12,000,000	15,000,000	14,572,310	(427,690)	Inadequate POS machines.
Motor bike	5,582,800	3,400,324	6,500,000	5,000,000	1,100,500	(3,899,500)	Riders were used as bait by the political elites Resistance due to poor road network.
Kiosk fees	3,980,220	5,787,450	5,500,000	6,000,000	4,676,533	(1,323,467)	Increased subletting.
Ground Rent	3,020,332	839,378	6,000,000	5,000,000	764,762	(4,235,238)	Political interference.
Stall Rent	4,086,553	3,254,105	2,200,000	2,000,000	3,011,925	1,011,925	Operationalization of new modern markets
Impounding Fees	2,084,840	1,789,241	3,000,000	4,000,000	1,657,468	(2,342,532)	Increased voluntary compliance.

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021					
Plan Approval	18,870,896	25,105,473	41,000,000	50,000,000	26,147,961	(23,852,039)	Reduced construction activities
Survey fees	-	-		2,000,000	294,650	(1,705,350)	Lack of modern survey equipment.
Public Toilet	1,445,888	2,998,270	2,000,000	3,000,000	2,740,600	(259,400)	Public toilets were rented out hence only rent is collected
Registration of Groups	258,310	330,850	500,000	300,000	268,650	(31,350)	Lack of sensitization on the essence of groups
Tree Nursery fees	-	-		-	1,000	1,000	Not targeted
Fire compliance	1,204,275	9,627,050	2,000,000	3,000,000	2,147,880	(852,120)	Amendments done on the Finance Act 2021.
Noise control	716,300	373,200	1,500,000	1,000,000	836,486	(163,514)	Minimum noisy activities.
Stock sales	5,539,130	8,807,770	15,000,000	15,000,000	7,428,095	(7,571,905)	Dilapidated state of stock rings. Closure of some stock rings due animal diseases and renovation activities.
Bukhungu Stadium	968,450	429,800	2,500,000	1,000,000	2,843,770	1,843,770	Improved status of the stadium to international standards
Hire fees	3,523,190	550,200	2,500,000	1,000,000	413,250	(586,750)	Dilapidated state of social halls
Advertisement	11,069,224	37,224,925	25,000,000	40,000,000	50,251,669	10,251,669	Increased advertisement activities by clients

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021	2021/2022				
House Rent	-	2,802,155	3,000,000	5,000,000	2,347,297	(2,652,703)	Demolish notices were served.
Public Health	16,244,467	22,519,076	20,000,000	15,000,000	20,524,270	5,524,270	Enhanced enforcement activities
Bukura ATC	5,566,024	2,143,908	9,000,000	2,000,000	3,639,176	1,639,176	Enhanced conference facilities
Veterinary Services	5,035,625	8,642,175	7,000,000	10,000,000	9,476,125	(523,875)	Low uptake due to unsuccessful A.I services
Farm Mechanization	1,495,033	2,300,000	10,000,000	3,000,000	6,900	(2,993,100)	Implemented under Bukura ATC
Farm Input	314,642,850	376,364,215	381,500,000	480,000,000	325,176,669	(154,823,331)	Budget revised downwards.
Health Services	218,548,945	134,119,987	278,000,000	217,000,000	201,203,002	(15,796,998)	Lack of specialized equipment and drugs
Ambulance Services	-	-		500,000	402,500	(97,500)	Reduced demand for services
NHIF	285,926,691	142,616,850	350,000,000	295,000,000	205,755,000	(89,245,000)	Lack of specialized equipment and drugs
Weights and Measures	433,400	425,700	1,500,000	3,000,000	427,380	(2,572,620)	Lack of modern equipment
Interest/Dividend from Golf Hotel	1,313,320	-	500,000	-	-	0	
Liquor Licenses	16,915,000	22,880,000	25,000,000	25,000,000	18,967,411	(6,032,589)	Most bars shut down
Commissions	-	6,760,066		14,200,000	12,956,749	(1,243,251)	Arrears of statutory deduction
Disposal of Assets	-	-			30,589,738	30,589,738	Sale of County Vehicles

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021	2021/2022				
Others	41,384,609	6,748,173	50,000,000	2,000,000	763,005	(1,236,995)	Most deposit slips were identified to specific streams.
Balance brought forward	558,218,397	2,282,395,716	1,275,026,700	1,719,735,907	1,719,735,907	-	
Equitable Share	558,218,397	1,057,513,635	965,400,461	1,086,858,032	1,086,858,032	-	
Conditional grant		1,224,882,081	309,626,239	632,877,875	632,877,875	-	
Total Allocation from the National Government	12,044,984,955	11,994,359,724	13,080,503,088	13,080,503,088	11,749,721,876	(1,330,781,212)	
Equitable share of revenue	9,517,344,900	10,412,850,000	12,389,412,168	12,389,412,168	11,398,259,193	(991,152,975)	
Conditional Grants	2,527,640,055	1,581,509,724	691,090,920	691,090,920	351,462,683	(339,628,237)	
Grant to Level 5 Hospital	531,967,631	427,283,237				-	
Roads Maintenance Levy Fund	355,776,173	315,071,072	-	-	-	-	
DANIDA Grant	42,358,750	29,610,000	23,071,125	23,071,125	11,535,563	(11,535,562)	
User Fees foregone	37,789,290	37,789,290	-	-	-	-	
Agricultural Sector Development Support Programme (ASDSP)	18,926,430	14,542,117	28,082,288	28,082,288	16,539,198	(11,543,090)	
Grant to County Youth Polytechnics	76,923,298	102,349,894	-	-	-	-	
Kenya Devolution support program- Level 1	30,000,000	45,000,000	-	-	-	-	

Total Revenue	Actual Receipts (KES)		Approved Budget (KES)	Revised Budget (KES)	Actual Receipts (KES)	Deviation	Reasons for deviation
	2019/2020	2020/2021	2021/2022				
Kenya Devolution support program- Level 2	262,583,677	78,009,910	78,009,910	78,009,910	78,009,910	-	
World bank- Universal Health Care Fund-THS	91,576,273	48,766,266	73,144,291	73,144,291	61,784,877	(11,359,414)	
World bank-Kenya Climate Smart Agriculture)	100,133,871	270,715,346	338,783,306	338,783,306	183,593,135	(155,190,171)	
Kenya Urban Support Programme-Capital	667,431,662	212,372,592	-	-	-	-	
Kenya Urban Support Programme- Recurrent	50,000,000	-	-	-	-	-	
Kenya Informal Settlement Improvement Project- (KISIP II)	-	-	150,000,000	150,000,000	-	(150,000,000)	
COVID- Grant	262,173,000	-	-	-	-	-	
Other transfers- Health allowances	78,930,000	-	-	-	-	-	
Total Revenue and Grants	13,784,006,811	15,394,991,423	16,468,529,788	16,400,238,995	14,691,133,133	678,996,576	

Table 4: Budget Execution by Programmes and Sub-Programmes

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
		KES	KES	KES	KES	KES
4811	County Assembly	1,239,967,209	38,911,398	1,278,878,607	1,275,276,117	-3,602,490
710004810	Oversight services	1,239,967,209	38,911,398	1,278,878,607	1,275,276,117	-3,602,490
4812	Ministry of Agriculture	1,304,028,210	61,897,994	1,365,926,204	1,089,591,133	-276,335,071
101004810	Livestock development	240,365,330	-109,500,000	130,865,330	103,342,434	-27,522,896
101014810	Livestock resource management and development	156,883,753	-75,000,000	81,883,753	65,507,002	-16,376,751
101024810	Livestock Value chains Development	10,000,000	-5,000,000	5,000,000	3,700,000	-1,300,000
101034810	Livestock disease and pest prevention	43,481,577	-21,000,000	22,481,577	17,985,262	-4,496,315
101044810	Livestock Market infrastructure Improvement	30,000,000	-8,500,000	21,500,000	16,150,170	-5,349,830
102004810	Fish Farming Productivity Programme	101,242,480	-50,000,000	51,242,480	40,993,984	-10,248,496
102024810	Promotion of fish farming	101,242,480	-50,000,000	51,242,480	40,993,984	-10,248,496
103004810	Crop Production and Management services	916,818,725	221,397,994	1,138,216,719	910,573,375	-227,643,344
103014810	Crop production and management services	69,000,000	-58,000,000	11,000,000	8,800,000	-2,200,000
103024810	Horticulture Promotion and Development	0	723,842,862	723,842,862	579,074,290	-144,768,572
103034810	Farm Input Support and Subsidies	480,953,131	-480,953,131	0	0	0
103044810	Agricultural Extension and Research	366,865,594	36,508,263	403,373,857	322,699,086	-80,674,771
105004810	Agricultural training services	13,033,093	0	13,033,093	9,426,474	-3,606,619
0105014810	Agricultural training services	13,033,093	0	13,033,093	9,426,474	-3,606,619
106004810	Cooperative development and marketing	24,716,912	0	24,716,912	19,773,530	-4,943,382
106014810	Cooperative development and marketing	24,716,912	0	24,716,912	19,773,530	-4,943,382
120004810	Irrigation and Drainage Development	7,851,670	0	7,851,670	5,481,336	-2,370,334

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
		KES	KES	KES	KES	KES
120014810	Small Holder Irrigation and Drainage	7,851,670	0	7,851,670	5,481,336	-2,370,334
4813	Ministry of Health	2,048,957,603	56,183,568	2,105,141,171	1,720,674,844	-384,466,327
401004810	Preventive and Promotive Health care services	296,244,291	48,272,964	344,517,255	282,245,104	-62,272,151
401024810	Community Health Strategy	54,800,000	52,000,000	106,800,000	87,255,600	-19,544,400
401034810	Disease surveillance & Emergency response	50,000,000	-12,000,000	38,000,000	31,046,000	-6,954,000
401044810	Nutrition service Promotion	1,200,000	0	1,200,000	1,080,400	-119,600
401054810	HIV /AIDS Control	1,200,000	0	1,200,000	980,400	-219,600
401064810	Maternal and child healthcare promotion	186,144,291	7,972,964	194,117,255	159,368,304	-34,748,951
401074810	TB Control	1,200,000	0	1,200,000	880,400	-319,600
401084810	Malaria control	1,100,000	300,000	1,400,000	1,143,800	-256,200
401094810	Promotion of family Planning	600,000	0	600,000	490,200	-109,800
402004810	Promotion of Curative health services	1,041,763,315	-507,174,297	534,589,018	436,759,228	-97,829,790
402014810	Curative services	1,037,863,315	-507,474,297	530,389,018	433,327,828	-97,061,190
402024810	Community Health Strategy	3,000,000	300,000	3,300,000	2,696,100	-603,900
402034810	Disease Surveillance and Response	900,000	0	900,000	735,300	-164,700
483004810	General Administrative and Support services	710,949,997	515,084,901	1,226,034,898	1,001,670,512	-224,364,386
403014810	Administrative, planning and support services	709,509,997	512,884,901	1,222,394,898	998,696,632	-223,698,266
403024810	Disability mainstreaming	480,000	0	480,000	392,160	-87,840
0403034810	Health Data and Information Management	960,000	2,200,000	3,160,000	2,581,720	-578,280
4814	Ministry of Education	790,286,647	-95,719,157	694,567,490	572,168,237	-122,399,253

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
		KES	KES	KES	KES	KES
506004180	Vocational Education and Training development	337,504,926	-124,465,158	213,039,768	175,544,769	-37,494,999
503014810	Polytechnic Support and development	185,119,926	-77,670,158	107,449,768	88,538,609	-18,911,159
506014810	Polytechnic Tuition Subsidy	152,385,000	-46,795,000	105,590,000	87,006,160	-18,583,840
504004810	Early Childhood Development Education (ECDE)	264,997,555	30,443,001	295,440,556	243,287,643	-52,152,913
504014810	ECD Infrastructure Development	197,000,000	29,100,000	226,100,000	186,151,025	-39,948,975
504024810	Childcare and development	67,997,555	1,343,001	69,340,556	57,136,618	-12,203,938
505004810	Education Support Programme	187,784,166	-1,697,000	186,087,166	153,335,825	-32,751,341
505024810	Non-Tertiary Education Support	187,784,166	-1,697,000	186,087,166	153,335,825	-32,751,341
4815	Ministry of Transport	1,615,260,533	165,842,781	1,781,103,314	1,216,896,602	-564,206,712
201004810	Road Infrastructure Development	1,473,183,431	223,616,710	1,696,800,141	1,158,914,496	-537,885,645
201014810	Infrastructure, roads and transport services	491,991,869	-3,956,077	488,035,792	333,328,446	-154,707,346
201034810	Infrastructure Development	42,072,096	-8,001,136	34,070,960	23,270,466	-10,800,494
0201034810	Road construction	939,119,466	235,573,923	1,174,693,389	802,315,585	-372,377,804
203004810	Energy Reticulation	140,000,000	-90,000,000	50,000,000	34,150,000	-15,850,000
203014810	Rural Electrification.	140,000,000	-90,000,000	50,000,000	34,150,000	-15,850,000
204004810	Public works Management	2,077,102	32,226,071	34,303,173	23,832,106	-10,471,067
204014810	Public works Management	2,077,102	32,226,071	34,303,173	23,832,106	-10,471,067
4816	Ministry of Lands	848,085,429	25,451,432	873,536,861	611,351,053	-262,185,808
107004810	Land Management Services	136,983,951	-16,215,321	120,768,630	84,413,291	-36,355,339
107014810	Land use policy and planning	77,328,924	-5,321,500	72,007,424	50,280,447	-21,726,977
107024810	Land administration and planning	49,353,485	-14,985,750	34,367,735	24,057,415	-10,310,321

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
		KES	KES	KES	KES	KES
107034810	Survey Services	10,301,542	4,091,929	14,393,471	10,075,430	-4,318,041
108004810	Housing Management Services	12,038,611	3,897,250	15,935,861	11,155,103	-4,780,758
108014810	Housing Infrastructure development	12,038,611	3,897,250	15,935,861	11,155,103	-4,780,758
110004810	Urban Development Services	699,062,867	37,769,503	736,832,370	515,782,659	-221,049,711
110014810	Urban Transport management	523,953,922	65,769,503	589,723,425	412,806,398	-176,917,028
110024810	Urban Areas Landscape Improvement	175,108,945	-28,000,000	147,108,945	102,976,262	-44,132,684
4817	Ministry of Social Services	978,667,114	-254,764,656	723,902,458	723,902,458	0
901004810	Administration, Planning and Support services	21,308,600	4,535,258	25,843,858	25,843,858	0
901014810	Administrative Services	21,308,600	4,535,258	25,843,858	25,843,858	0
0902004810	Culture and Arts development	22,152,000	538,000	22,690,000	22,690,000	0
0902014810	Culture and Heritage Conservation	22,152,000	538,000	22,690,000	22,690,000	0
903004810	Management and Development of Sports	775,023,656	-232,483,656	542,540,000	542,540,000	0
903014810	Development of sports facilities	725,484,656	-218,304,656	507,180,000	507,180,000	0
903024810	Promotion and Development of sports and talent	49,539,000	-14,179,000	35,360,000	35,360,000	0
904004810	Youth, Disability and Gender Development	33,948,600	-19,420,600	14,528,000	14,528,000	0
904014810	Youth, Disability and Gender Empowerment and mainstreaming	33,948,600	-19,420,600	14,528,000	14,528,000	0
906004810	Social Development and Promotions	124,701,800	-7,601,200	117,100,600	117,100,600	0
906014810	Social Development and Social Protection	120,789,800	-7,349,200	113,440,600	113,440,600	0
906024810	Child welfare Services	3,912,000	-252,000	3,660,000	3,660,000	0
908004810	Development of Library services	1,532,458	-332,458	1,200,000	3,090,456	0

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
		KES	KES	KES	KES	KES
908014810	Library services	1,532,458	-332,458	1,200,000	3,090,456	0
4818	Ministry of Trade	406,743,600	-213,087,400	193,656,200	119,975,770	-73,680,430
306004810	General Administration and support services	19,304,800	-8,330,400	10,974,400	6,749,256	-4,225,144
306014810	Administration support services	9,304,800	1,669,600	10,974,400	6,749,256	-4,225,144
0306024810	Quality Assurance	10,000,000	-10,000,000	0	0	0
307004810	Trade Development and Investment	226,638,800	-101,136,400	125,502,400	78,061,183	-47,441,217
307014810	Modern Market infrastructure development	218,028,800	-100,592,000	117,436,800	73,100,839	-44,335,961
307024810	Trade financing	8,610,000	-544,400	8,065,600	4,960,344	-3,105,256
309004810	Industrial development	152,232,000	-113,567,800	38,664,200	26,778,483	-11,885,717
309014810	Industrial development and promotion	152,232,000	-113,567,800	38,664,200	26,778,483	-11,885,717
0308004810	Tourism Development and Marketing	8,568,000	9,947,200	18,515,200	8,386,848	-10,128,352
0308024810	Development of Local Content Niche Tourism	8,568,000	9,947,200	18,515,200	8,386,848	-10,128,352
4819	Ministry of Environment	784,384,630	-273,560,353	510,824,277	391,007,109	-119,817,168
1006004810	Water Supply Service and Urban Sanitation	714,013,127	-287,068,235	426,944,892	327,258,776	-99,686,116
1006014810	Water Resource Supply and management	714,013,127	-287,068,235	426,944,892	327,258,776	-99,686,116
1007004810	Environmental Conservation	37,509,444	36,642,482	74,151,926	56,355,464	-17,796,462
1007014810	Environmental Protection	37,509,444	36,642,482	74,151,926	56,355,464	-17,796,462
1005004810	Natural Resource Management	32,862,059	-23,134,600	9,727,459	7,392,869	-2,334,590
1005014810	Afforestation and Re-afforestation	14,396,135	-7,160,152	7,235,983	5,499,347	-1,736,636
1005024810	Protection of natural resources and environmental processes	18,465,924	-15,974,448	2,491,476	1,893,522	-597,954

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
	KES	KES	KES	KES	KES	
4820	Ministry of Public Service and Administration	5,792,556,824	291,795,264	6,084,352,088	5,999,637,891	-84,714,197
712004810	County Public service and administrative services	5,588,167,701	267,257,663	5,855,425,364	5,773,404,998	-82,020,366
712014810	County administration	529,026,749	8,081,653	537,108,402	475,061,090	-62,047,312
712024810	Human Resource Management	5,059,140,952	259,176,010	5,318,316,962	5,298,343,908	-19,973,054
713004810	General Administration and Support services	200,483,796	24,537,600	225,021,396	222,382,239	-2,639,157
713014810	Administrative Services	200,483,796	24,537,600	225,021,396	222,382,239	-2,639,157
716004810	Alcoholics and Drinks Control	3,905,328	0	3,905,328	3,850,653	-54,675
716014810	Alcohol and Drug Rehabilitation Program	3,905,328	0	3,905,328	3,850,653	-54,675
4821	Office of the Governor	179,298,098	43,991,603	223,289,701	181,108,983	-42,180,718
703004810	Management and Administration of County functions	87,707,200	45,530,846	133,238,046	108,589,007	-24,649,039
703024810	County executive services	87,707,200	45,530,846	133,238,046	108,589,007	-24,649,039
704004810	Coordination and supervisory services	91,590,898	-1,539,243	90,051,655	72,519,976	-17,531,679
704014810	Coordination and supervisory services	80,000,158	460,756	80,460,914	64,703,522	-15,757,392
709014810	County Internal Audit services	11,590,741	-2,000,000	9,590,741	7,816,454	-1,774,287
4822	Ministry of Finance and Economic Planning	371,926,190	86,508,366	458,434,556	362,210,406	-96,224,150
706004810	Economic and policy formulation and management planning	19,324,609	31,810,420	51,135,029	40,443,780	-10,691,249
706014810	Economic and policy formulation and management planning	19,324,609	31,810,420	51,135,029	40,443,780	-10,691,249
707004810	Public Finance Management	318,300,616	64,697,946	382,998,562	302,568,864	-80,429,698

Programme/Sub-programme	Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		2021/2022			2021/2022	
	KES	KES	KES	KES	KES	
707014810	Public finance management	11,185,056	27,919,200	39,104,256	30,892,362	-8,211,894
707024810	Financial Accounting and Reporting	121,138,580	27,718,747	148,857,327	117,597,288	-31,260,039
707034810	Budget Formulation and management	40,508,480	37,059,999	77,568,479	61,279,098	-16,289,381
707044810	Revenue Mobilization	145,468,500	-28,000,000	117,468,500	92,800,115	-24,668,385
718004810	Investment promotion	34,300,965	-10,000,000	24,300,965	19,197,762	-5,103,203
718014810	Investment promotion	34,300,965	-10,000,000	24,300,965	19,197,762	-5,103,203
712004810	County Public Service Board	17,441,462	1,815,205	19,256,667	19,247,667	-9,000
712024810	Human Resource Planning & Policy Implementation	17,441,462	1,815,205	19,256,667	19,247,667	-9,000
4824	Ministry of ICT	90,926,238	-2,556,837	88,369,401	59,021,531	-29,347,870
705014810	Information and communication services	90,926,238	-2,556,837	88,369,401	59,021,531	-29,347,870
0705014810	Information and communication services	90,926,238	-2,556,837	88,369,401	59,021,531	-29,347,870

10. Reasons for Unmet Revenue Target

- ❖ Political interference during electioneering period
- ❖ Outdated valuation roll

11. The challenges mentioned here are being addressed gradually through:

- ❖ Conduct stakeholders' engagement forums
- ❖ Fastrack development of valuation roll

B.2.Expenditure Performance

12. Total expenditure in the FY 2021/22 amounted to KES 14.334 Billion against a revised target of KES 16.400 Billion, representing an under-spending of KES 2.092 Billion (12.65) percent deviation from the revised budget). The overall absorption rate was 87.41 per cent comprising of 94.27 per cent and 76.03 per cent for recurrent and development expenditure respectively. As indicated above, the performance for FY 2021/2022 at 87.47 per cent is high compared to that of FY 2020/2021 at 85.98 per cent.
13. The overall recurrent expenditure amounted to KES 9.627 Billion, representing an under-spending of KES 584 Million from the approved revised recurrent expenditure of KES 10.212 Billion. The under-spending was in respect to delayed disbursement of equitable shareable revenue from the National Government and the unmet target of own source revenue.
14. Out of the total revenue, employee compensation was KES 5.318 Billion translating to 36.96 per cent of total revenues for the year which excludes salaries for the County Assembly. Operation and Maintenance (O&M) was KES 3.054 Billion (21.30 per cent)
15. Out of the total budget of KES 16.40 Billion, the allocation to development expenditure was KES 6.188 Billion (37.73 per cent). Out of total expenditure of KES 14.334 Billion, KES 4.706 Billion was spent on development projects/programmes translating to 32.83 per cent.
16. Out of total revenue of KES 14.334 Billion, KES 1.275 Billion (8.89 per cent) was transferred to the County Assembly.

Table 5: Expenditure by Category, KES Million

PAYMENTS	2019/2020	2020/2021	2021/2022			
	Actual		Approved budget	Revised budget	Actual	Deviation
	KES	KES	KES	KES	KES	KES
1. RECURRENT	7,195,119,555	8,241,311,662	8,907,698,368	10,212,212,658	9,627,952,723	-584,259,935
Compensation of Employees	4,469,521,710	5,484,660,128	5,059,140,952	5,318,316,962	5,298,343,908	-19,973,054
Operations and Maintenance - Executive	1,664,233,255	2,220,478,622	2,681,620,642	3,615,017,089	3,054,332,698	-560,684,391
County Assembly - Operations and Maintenance	1,061,364,590	536,172,912	1,166,936,774	1,278,878,607	1,275,276,117	-3,602,490
2. DEVELOPMENT	4,984,337,228	5,578,140,225	7,301,205,181	6,188,026,337	4,706,935,588	1,481,090,749
Development projects	4,984,337,228	5,578,140,225	7,301,205,181	6,188,026,337	4,706,935,588	1,481,090,749
TOTAL EXPENDITURE	12,179,456,783	13,819,451,887	16,208,903,549	16,400,238,995	14,334,888,311	2,065,350,684

Source: County Treasury

B.3. Departmental Fiscal performance

Table 6: Departmental Expenditure for the period ending 30th June 2022

DEPARTMENT	Actual		Budget	Revised Budget	Actual	Absorption rate
	2019/2020	2020/2021				
	KES	KES	KES			
EXPENDITURES	12,549,568,471	13,819,451,888	16,468,529,788	16,400,238,995	14,334,888,311	87.41
County Assembly	977,375,288	1,078,519,716	1,239,967,209	1,278,878,607	1,275,276,117	99.72
Current	977,375,288	1,078,519,716	1,189,967,209	1,278,878,607	1,275,276,117	99.72
Development	0	0	50,000,000	0	0	-
Agriculture, Livestock, Fisheries and Co-operatives	599,120,529	1,415,518,301	1,304,028,210	1,365,926,204	1,089,591,133	79.77
Current	32,693,744	15,365,662	76,022,246	65,022,246	58,331,954	89.71
Development	566,426,785	1,400,152,639	1,228,005,964	1,300,903,958	1,031,259,179	79.27
Health Services	2,000,779,761	1,764,378,723	2,048,957,603	2,105,141,171	1,720,674,844	81.74
Current	899,943,165	733,055,531	717,949,997	1,248,416,901	1,019,036,835	81.63
Development	1,100,836,596	1,031,323,192	1,331,007,606	856,724,270.00	701,638,009	81.9
Education, Science & Technology	671,585,960	345,239,767	790,286,647	694,567,490	572,168,237	82.38
Current	176,259,151	59,764,962	209,176,182	380,916,183	368,449,024	96.73
Development	495,326,809	285,474,805	581,110,465	313,651,307	203,719,213	64.95
Roads, Public Works & Energy	1,377,082,787	1,482,615,926	1,615,260,533	1,781,103,314	1,216,896,602	68.32
Current	19,045,980	195,809,849	366,196,568	348,996,562	235,491,776	67.48
Development	1,358,036,807	1,286,806,077	1,249,063,965	1,432,106,752	981,404,826	68.53
Lands, Housing, Urban Areas and Physical Planning	538,468,262	636,699,002	848,085,429	873,536,861	611,351,053	69.99
Current	131,538,969	141,921,131	199,131,507	180,013,436	169,931,600	94.4
Development	406,929,293	494,777,871	648,953,922	693,523,425	441,419,453	63.65
Social Services, Youth & Sports	536,740,520	494,491,290	978,667,114	723,902,458	716,720,968	99.01

DEPARTMENT	Actual		Budget	Revised Budget	Actual	Absorption rate
	2019/2020	2020/2021	2021/2022			
	KES	KES	KES			
Current	52,619,276	43,470,509	59,182,458	83,902,458	83,902,458	100.00
Development	484,121,244	451,020,781	919,484,656	640,000,000	632,818,510	98.88
Trade, Tourism & Industrialization	160,161,686	146,352,495	406,743,600	193,656,200	119,975,770	61.95
Current	31,867,776	23,878,461	31,743,600	46,656,200	26,090,885	55.92
Development	128,293,910	122,474,034	375,000,000	147,000,000	93,884,885	63.87
Water, Environment and Natural Resource	290,642,127	307,988,849	784,384,630	510,824,277	391,007,109	76.54
Current	30,876,291	18,037,647	42,160,223	32,116,739	19,966,599	62.17
Development	259,765,836	289,951,202	742,224,407	478,707,538	371,040,510	77.51
Public Service and Administration	4,862,678,119	5,504,430,962	5,792,556,824	6,083,352,088	5,999,637,891	98.62
Current	4,852,059,106	5,412,057,922	5,581,556,824	5,901,223,641	5,826,270,822	98.73
Development	10,619,013	92,373,040	211,000,000	182,128,447	173,367,069	95.19
Office of the Governor	194,191,616	169,807,618	179,298,098	223,289,701	181,108,983	81.11
Current	178,035,859	163,361,747	145,348,098	220,289,701	181,108,983	82.21
Development	16,155,757	6,445,871	33,950,000	3,000,000	0	0
County Treasury	185,126,067	313,715,644	371,926,190	458,434,556	362,210,406	79.01
Current	185,126,067	312,715,644	276,926,190	387,434,556	330,162,390	85.22
Development	0	1,000,000	95,000,000	71,000,000	32,048,016	45.14
County Public Service Board	31,624,954	23,887,947	17,441,462	19,256,667	19,247,667	99.95
Current	31,624,954	23,887,947	17,441,462	19,256,667	19,247,667	99.95
ICT, E-government & Communication	123,990,795	135,805,648	90,926,238	88,369,401	59,021,531	66.79
Current	26,055,197	19,464,935	17,926,238	19,088,761	14,685,613	76.93
Development	97,935,598	116,340,713	73,000,000	69,280,640	44,335,918	63.99

Source: The County Treasury

C. Analysis of Departmental Deviation

17. All the departments' development performance was above 50 per cent absorption rate except for the County Treasury and Office of the Governor which had 45.14 per cent and zero per cent respectively. Under recurrent classification, all the departments had above 50 per cent absorption rate. Table 7 provides explanations for the deviation for each department.

Table 7: Analysis of Deviations

S/No.	Department	Classification of Expenditure	Absorption rate	Reasons for deviation	Recommendation
1.	Agriculture, Livestock, Fisheries and Cooperatives	Development	79.27%	Delayed disbursement of funds from the exchequer. Delay in processing acquisition of parcels of land on which fisheries Projects have been initiated/planned	Timely release of funds from the National Treasury
		Recurrent	89.71%	Delays in procuring recurrent goods and services	Timely procurement of goods and services
2.	Health Services	Development	81.90%	Delayed disbursement of funds hindered payment of most of the programs/activities.	Timely disbursement of funds.
		Recurrent	81.63%		
3.	Education, Science and Technology	Development	64.95%	Delays in disbursement from the exchequer Non-payment of ongoing projects whose payment certificates were ready by close of financial year were not paid	Timely release of funds from exchequer
		Recurrent	96.73%		
4.	Roads, Public Works and Energy	Development	81.46%	Non-payment of ongoing projects whose payment certificates were ready by close of financial year were not paid	The National Treasury to ensure timely release of all the budgeted funds as per the law
		Recurrent	67.48%		
5.	Lands, Housing, Urban Areas and Physical Planning	Development	63.65%	Delayed completion of KUSP projects especially in Kakamega Municipality	Engage contractors to complete remaining works as per agreed timelines.
		Recurrent	94.40 %	Delays in payments for utilities and cleaning services for Municipalities attributed to delays in release of exchequer	The National Treasury to ensure timely release of all the budgeted funds as per the law

S/No.	Department	Classification of Expenditure	Absorption rate	Reasons for deviation	Recommendation
6.	Social services, sports, Youth, Women Empowerment and Culture	Development	98.87%	The department was able to execute the budget as per the planned activities. However, upgrade of Bukhungu stadium and other sports fields were not paid fully as per the contract since the department was underfunded	There's need to increase the funding in order to cater for the running contracts
		Recurrent	73.52%	The department was able to execute the budget as per the planned activities	Need to allocate more funds
7.	Trade, Tourism and Industrialization	Development	63.87%	Delayed disbursement of funds hindered payment of most of the project certificates/activities. Key devolution milestone recommended by cabinet could not be executed due to limited time	Timely disbursement of funds. Treasury should consider payment of request on first come first served.
		Recurrent	55.92%		
8.	Water Environment Natural Resources and Climate Change	Development	77.51%	Late disbursement from the exchequer.	Timely release of funds from the Exchequer
		Recurrent	62.17%		
9.	Public Service and Administration	Development	95.19 %	Prolonged land disputes/court cases on lands earmarked for project implementation.	Due Diligence should be conducted on lands earmarked for development before implementation of projects is initiated.
				Low capacity of contractors.	Award contracts to Contractors with capacity to deliver within the stipulated time frame
				Delayed Procurement process.	Initiate procurement process on time.
		Recurrent	98.73%	Delayed Procurement process.	Initiate procurement process on time.
10.	Office of the Governor	Development	0 %	Delay in procurement process of Call Centre project	Initiate procurement process on time.
		Recurrent	82.21 %	There was delayed exchequer releases	CoG to engage the National Treasury to release funds in good time as per the law.

S/No.	Department	Classification of Expenditure	Absorption rate	Reasons for deviation	Recommendation
11.	Finance Economic Planning	Recurrent	85.22%	There was delayed exchequer release	Enhance own source revenue to reduce overreliance on the exchequer funds. CoG to engage the National Treasury to release funds in good time as per the law.
		Development	45.14%		
12.	County Public Service Board	Recurrent	99.95%		
13.	ICT, e-government and Communication	Recurrent	76.93%	Delayed Procurement process. There was delayed exchequer releases	Initiate procurement process on time.
		Development	63.99%		
14.	County Assembly	Recurrent	99.72%		

D. Implication of 2021/2022 fiscal performance on fiscal responsibility principles and financial objectives for FY 2022/2023

18. The performance in the FY 2021/2022 has affected the financial objectives set out in the County Fiscal Strategy Paper and the budget for FY 2022/2023 in the following ways:
- i. Expenditure projections will be affected by payment of pending bills, implying the need for adjustment in the fiscal aggregates for the current budget and the medium-term.
 - ii. The baseline for setting the revenue forecast and expenditure ceilings will be affected. This will prompt the need to adjust the MTEF revenue forecast and expenditure ceilings.
19. The overall revenue performance in FY 2021/2022 of KES 1.226 Billion was an increase from the FY 2019/2020 which was KES 1.118 Billion. Despite the increase in performance, the County has strengthened measures to ensure that this performance is improved.

C.1. Fiscal Responsibility Principles

20. The fiscal responsibility principle on wages and remuneration as per the PFM Act of 2012 provides for utmost 35 per cent of the total County budget. The proportion of actual salaries and remuneration expenditure on the overall expenditure was 36.96 per cent. This computation excludes the salaries from the County Assembly.
21. On the development expenditure, the proportion of the actual expenditure was 32.83 per cent. This is above the stipulated percent of at least 30 percent on the overall County budget in compliance with the PFM Act, 2012.

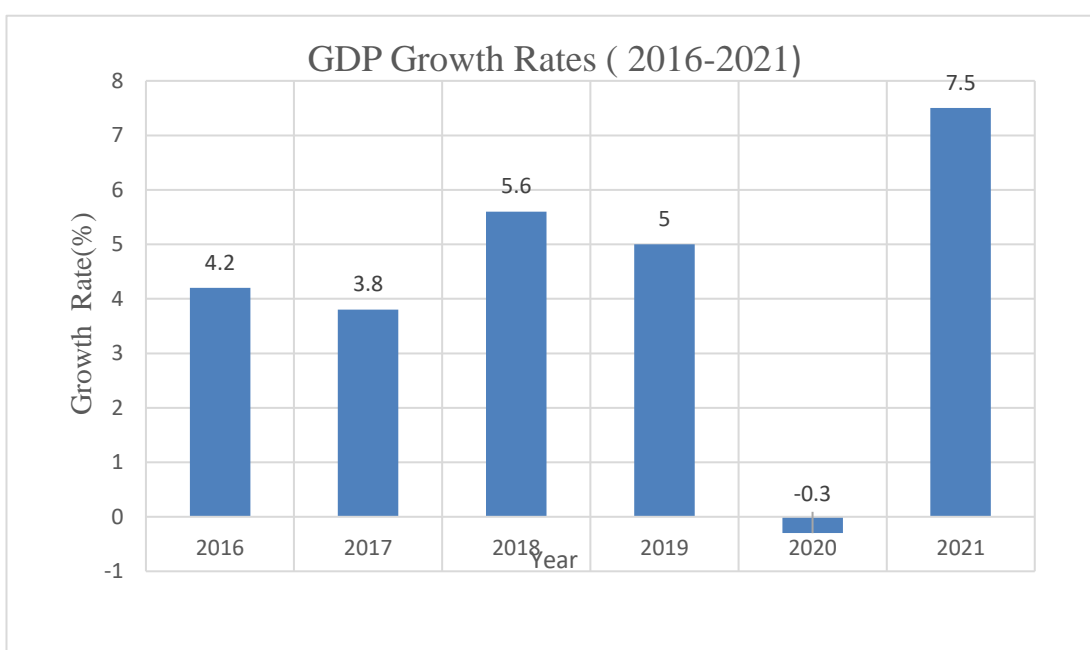
III. RECENT ECONOMIC DEVELOPEMENT AND OUTLOOK

A. Recent Economic Performance

A.1. Gross Domestic Product (GDP) Growth Rates

22. According to the Economic Survey, 2022 by Kenya National Bureau of Statistics (KNBS), Real Gross Product (GDP) is estimated to have expand by 7.5 per cent in 2021 compared to a contraction of 0.3 per cent in 2020. The expansion was mainly driven by resumption of most economic activities after the lifting of the COVID-19 containment measures instituted in 2020 to curb the spread of the virus.

Figure 1: GDP Growth Rates

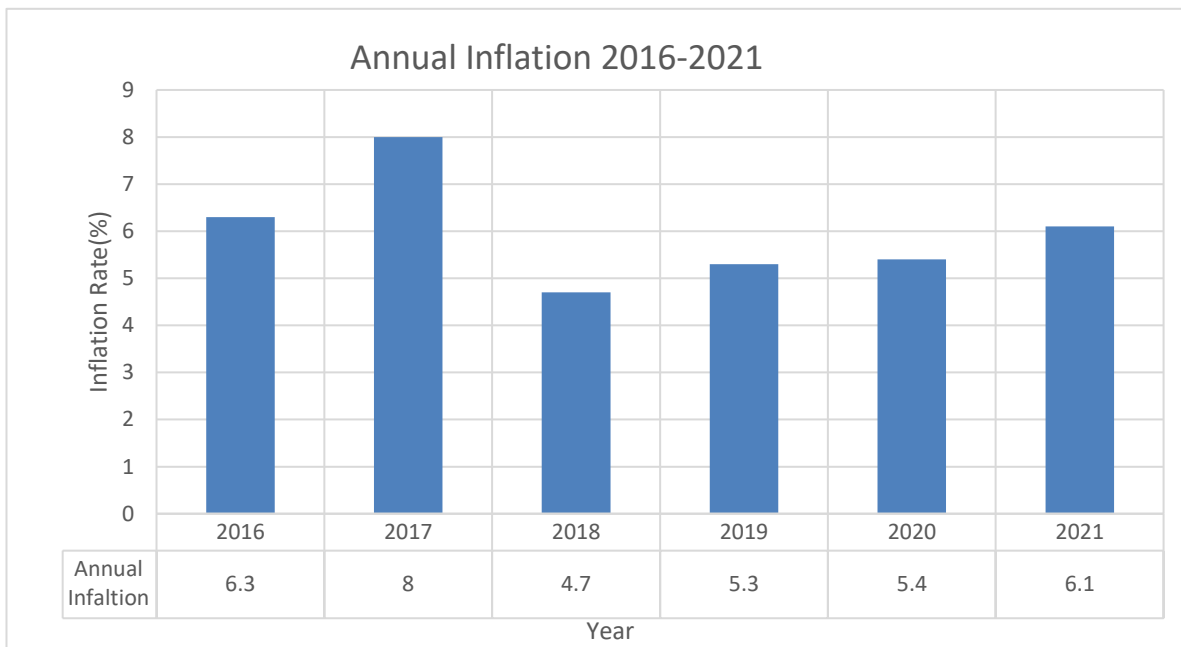


23. All economic activities registered positive growths except Agriculture, Forestry and Fisheries which contracted by 0.2 per cent. Accommodation and Food Services, and Education services that had been severely affected by the pandemic grew significantly faster than those that were less affected in 2020. Economic growth in 2021 was supported by improved performances in key sectors of the economy including; Manufacturing (6.9%), Wholesale and Retail Trade (7.9%), Real Estate (6.7%), Transportation and Storage (7.2%), and Financial and insurance activities (12.5%). In contrast, dry weather conditions that characterized the better part of 2021 adversely affected agricultural production, especially growing of key crops such as maize, beans, vegetables, tea and coffee leading to a contraction in its growth during the review period.

A.2 Inflation Rate

24. The annual inflation as measured by the Consumer Price Index (CPI) increased from 5.4 per cent in 2020 to 6.1 per cent in 2021. The increase was mainly due to increase in the prices of fuel and food items.
25. Transport Index which constitutes 9.7 per cent of the total household expenditure recorded the highest inflation rate of 12.3 per cent. This was mainly due to increase in prices of petrol and diesel. Food and Non-Alcoholic Beverages Index recorded an inflation rate of 8.5 per cent in 2021. Housing, Water, Electricity, Gas and Other Fuels Index, recorded an annual inflation rate of 4.8 per cent mainly due to increase in prices of kerosene, cooking gas and electricity during.

Figure 2: Annual Inflation



A.3 Interest Rate

26. The CBK adopted a conservative monetary policy stance by maintaining the Central Bank Rate at 7.00 per cent throughout 2021.

A.4 Exchange Rate

27. In 2021, the Kenya Shilling weakened against currencies of key trading countries as reflected in the Trade Weighted Index (TWI), which increased by 5.4 per cent from 115.37 in 2020 to 121.66. The Kenya Shilling depreciated against, the Pound Sterling (10.3%), the Euro (6.7%),

the US Dollar (3.0%), Chinese Yuan (10.0%) and South African Rand (13.9%) in the period under review. Similarly, the Tanzanian and Ugandan Shillings gained against the Kenyan Shilling by 3.0 per cent and 6.4 per cent, respectively, in 2021.

Table 8: Foreign Exchange Rates of Kenya Shilling against Selected Currencies, 2017-2021

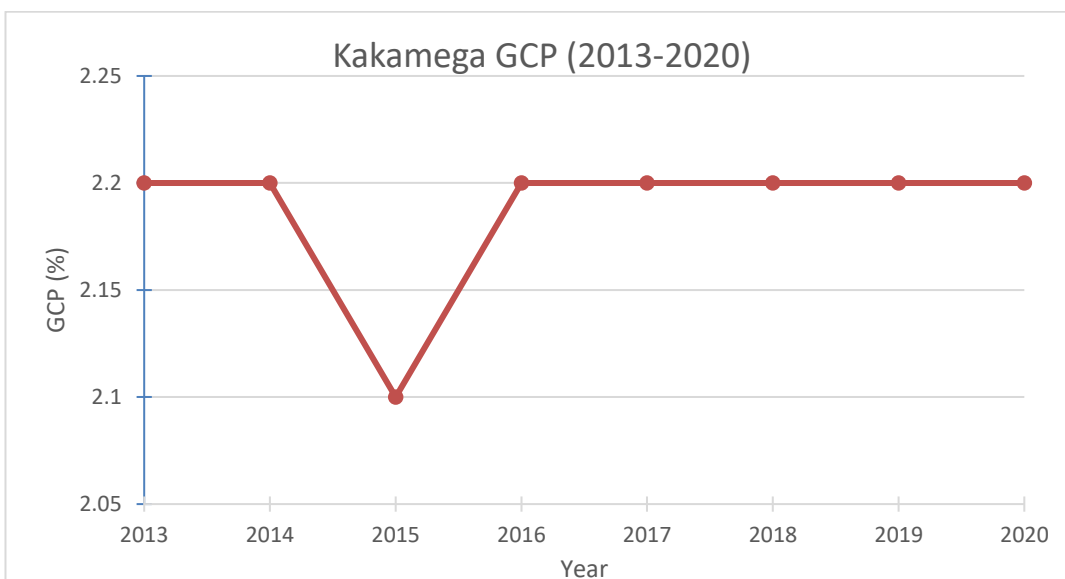
Currency	Exchange Rate against KES				
	2017	2018	2019	2020	2021
1 US Dollar	103.41	101.29	101.99	106.47	109.65
1 Euro ²	116.73	119.63	114.18	121.65	129.75
1 Pound Sterling	133.20	135.25	130.18	136.73	150.85
1 Swiss Franc	105.04	103.58	102.62	113.61	119.98
1 UAE Dirham	28.15	27.58	27.77	28.99	29.85
1 Indian Rupee	1.59	1.48	1.45	1.44	1.48
1 Chinese Yuan	15.30	15.33	14.76	15.45	17.00
100 Japanese Yen	92.22	91.74	93.59	99.80	99.94
1 SA Rand	7.77	7.69	7.06	6.51	7.42
1 Egyptian Pound	5.80	5.69	6.07	6.74	6.99
TSh/Ksh	21.63	22.48	22.63	21.76	21.12
USh/Ksh	34.92	36.81	36.32	34.93	32.72
100 Rwanda Francs	8.11	8.50	8.82	8.86	9.13

Source: KNBS, Economic Survey 2021 Report

B. Gross County Product (GCP)

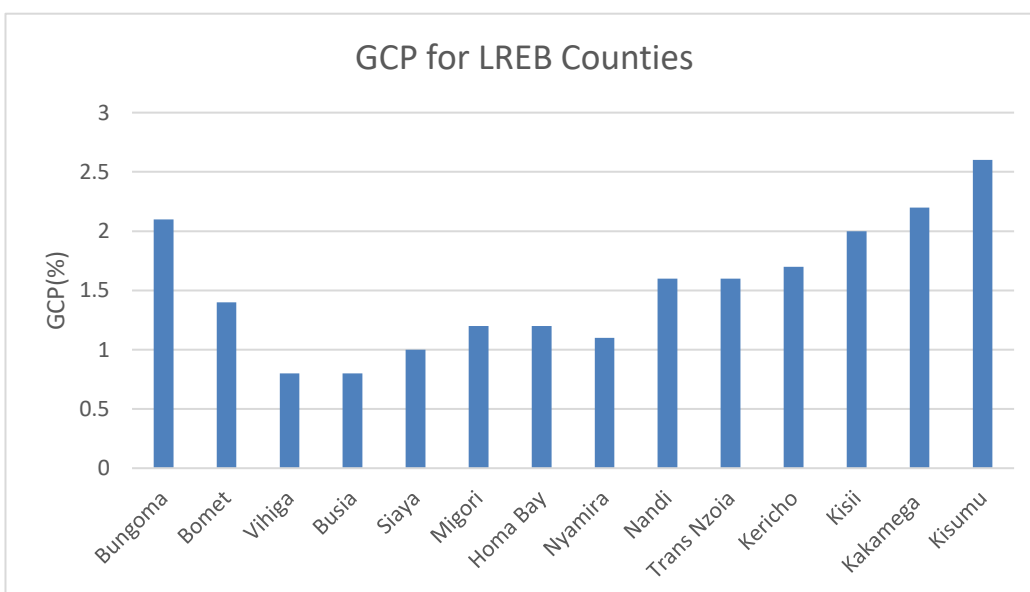
28. GCP is a measure of how much each county contributes to Kenya's GDP and may therefore be interpreted as the "County GDP". According to KNBS, Gross County Product Report 2021, the Kakamega County GDP was estimated at KES 214,068 Million (in current process) which is 2.2 per cent of the national GDP in 2020.
29. Kakamega GCP for 2013 – 2020 has remained almost constant in the entire eight yare period. Figure xx show the trend of GCP estimates covering the period 2013-2020 for Kakamega County

Figure 3: Kakamega GCP % contribution to national GDP, 2013-2020



30. The increase in GCP from 2015 to 2016 was principally attributed to increased agricultural production, accelerated sustained growth in transportation and vibrant service sector activities.

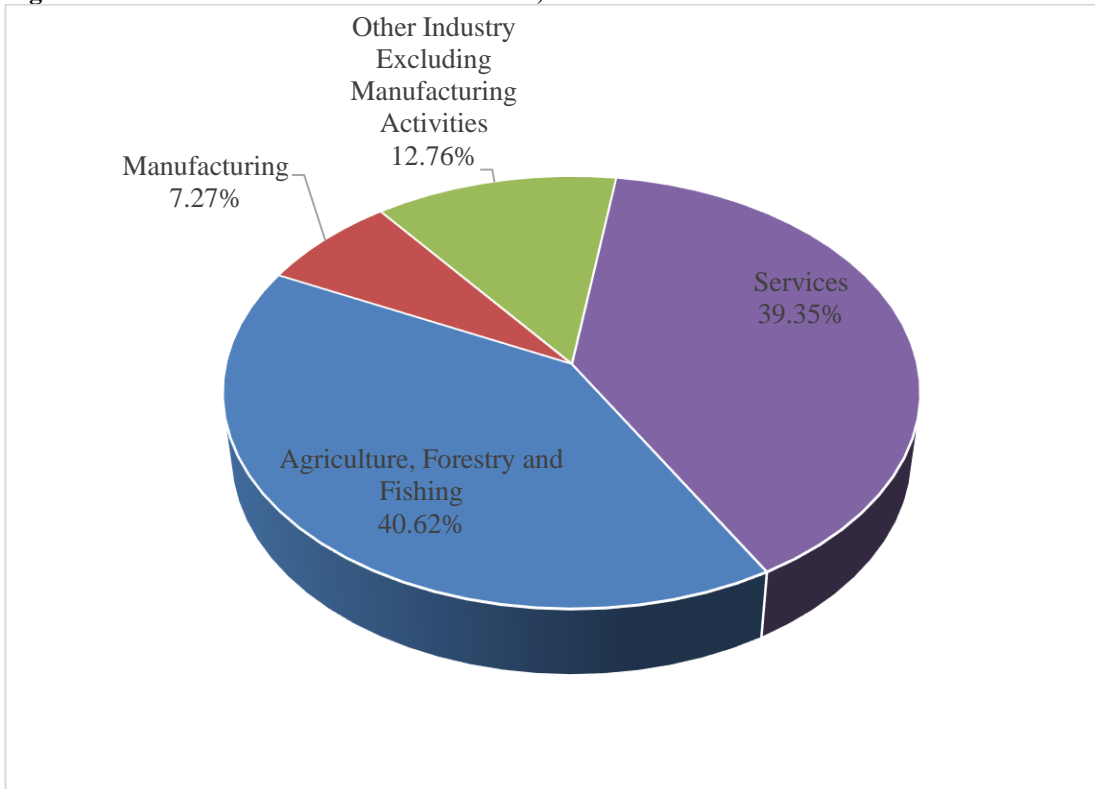
Figure 4 compares the average GCP of the Lake Region Economic Bloc Counties. Kakamega is ranked the third after Kisumu and Bungoma counties with the block.



GCP Contribution by Broad sectors of the Economy

31. Kakamega County was ranked ninth in agricultural activities among the 47 counties, hence, the sector significantly contributed to the Kakamega GCP. Other sectors that contributed to growth include; manufacturing, other industries (excluding manufacturing activities) and service sector which include all economic activities except agriculture and industry.

Figure 4: Contribution of main sectors to GCP, 2020



C. County Sector/ programme Performance

32. The County government discharges its mandate and functions as prescribed under schedule four of the Constitution of Kenya through the County Executive, County Assembly and the County Public Service Board.

The major milestones realized by the County include;

- ❖ Implementation of ‘Imarisha Afya ya Mama na Mtoto’ Programme has reduced maternal, infant and child mortality where by in partnership with UNICEF, over 63,000 mothers have been able to access antenatal Care (ANC) services, skilled delivery and full package of child welfare services. Among them, 5,085 needy mothers are under cash transfer program to assist mothers meet essential needs for the survival of child and mother.
- ❖ Increasing road network to 80% by constructing and maintaining bitumen roads, gravel roads and bridges/box culverts.
- ❖ Provision of farm subsidies has increased maize and dairy production thus improving food security from 57% to 67%.
- ❖ Improvement of market infrastructure through construction of modern markets and installation of high mast lights in various markets has improved trading environment, increased business hours and incomes.

- ❖ Automation of the revenue system and timely production of key County economic policy documents;
- ❖ The Point-to-point connection of county offices has improved information sharing as well as up scaled paperless communication.
- ❖ Implementation of water projects and Programmes has increased access to clean and safe water across the County by 25.9% through increased connections, storage capacity and extension of distribution lines across the County
- ❖ Youth and women empowerment has been achieved through implementation of County Youth and Women Empowerment Programme which has created jobs and improved the livelihoods.

D. Implementation of FY 2021/22 budget

33. The implementation of FY 2021/22 budget has been affected by the delay of exchequer disbursements in the first quarter. This delay will eventually affect the budget implementation.
34. Efforts to increase revenue collection remain a priority. The Kakamega County Revenue Agency (KCRA) is currently working on finding the best strategies to ensure the current actual revenue collection is optimized to match the County revenue potential. The enactment of the Kakamega Revenue Management and Administration Act, 2017 and its implementation continues to enhance achievement of the revenue targets. Some of the strategies being adopted include the enactment of revenue collection regulations and expanding existing revenue base.

E. Programmes Performance in the FY 2021-2022

35. County road network has been improved through maintenance and construction of 302.85Km and 887.25km of gravel roads respectively against a target of 600 for maintenance and 1500km for construction. The 200km Bitumen Roads Programme attained a total of 110.35km at the review period with 61.2km more under construction. It has also constructed 9 bridges and box culverts, Installed 15 high mast floodlights and 65 transformers and connected 1475 households.
36. Constructed Mumias Bus Park (Triangle) in Mumias West Sub County and Symbio City in Butere Sub County. The department also constructed 1.4km of storm water drainage in Kakamega Municipality under KUSP funding, renovated Shirere slaughter house, extended sewerage line from Mudiri Estate to Kakamega Primary School, purchased two waste collection trucks for Mumias and Kakamega Municipalities, maintained Roasterman

Dumpsite and the ongoing construction of Sichirai Business Hub which is 65% complete within Kakamega Municipality.

37. In agriculture sector, under dairy development programme 18,921 cows were inseminated against a target of 15,000 cows and 400 heifers were passed-on to farmers under one-cow initiative. In crop production, 120,000 bags of planting and 120,000 bags of top-dressing fertilizers were purchased and distributed. Under livestock disease and pest control programme, vaccination of 269,162 animals was done against a target of 300,000 animals. A total of 54,000-day old chicks were distributed to 184 farmers' groups as planned to enhance poultry production.
38. Under Fisheries Production and Productivity, 57,500 Kgs of fish feeds were distributed to 489 fish farmers against a target of 185,000. In addition, 100 fish ponds were constructed and 500 rehabilitated and stocked with 480,000 fingerlings. In total farmers' ponds were stocked with some 1,035,500 fingerlings to enhance fish production. 1,049 Mt of fish valued at Ksh.315 million. were harvested. In order to enhance Cooperative development, 39 cooperative groups were supported with Cooperative Grant amounting to Ksh.19 million.
39. Water Supply Services and Urban Sanitation augmented five (5) projects by installation of pumping units including Nzoia Community, Iranda Dispensary, Mabole and Musembe dam Water projects. Completion and commissioning of three (3) flagship projects; Musembe dam, Lumino Dam, and Lwakhupa through funding from Kenya Devolution Support Programme improved access to clean and safe piped water.
40. County tree cover increased by 270,000 trees in selected public institutions under the County Greening programme against a target of 150,000. In addition, County natural resources including wetlands and mining sites were mapped
41. Under the Ministry of Education, Science & Technology; in the Polytechnic Section, constructed 22 polytechnic classrooms, supplied branded teaching and learning materials to CPs, bought three (3) buses for County Polytechnics and acquired 3 Acres of land for establishment of a new Polytechnic in Bunyala West ward. In the ECDE department, completed construction and equipping of 48 ECDE Centres Developed and implemented a scheme of service for ECDE Teachers where 1,939 were put on permanent and pensionable basis. Also in education support, completed construction of 4 Centres of Excellence (Electrical and Plumbing Works), disbursed HELB funds to 1,743 students, Afya Elimu Fund disbursed

- to 517 students and the County Education Scholarship Scheme benefited 74 students studying in local universities.
42. Under revenue mobilization the automation of revenue management and collection systems steered the revenue collection even during the Covid-19 pandemic through adoption of the cashless system where KES 1.118 billion was collected representing 67.5% against a target of KES 1.656 billion.
 43. Under Public Finance Management, yearly production of Financial and economic planning policy documents enabled the County to meet the budget and financial constitutional regulations.
 44. Decentralization of financials services through establishment of sub-county treasuries.
 45. In sports infrastructure improvement 46% of construction works on Bukhungu Stadium were achieved against the planned target of 80%. There were 14 fields upgraded which are at different level of completion. Furthermore, under social protection, 720 shelter units were constructed to cover the preceding year 2019/2020 that was affected by Covid. To cater for welfare of PDWs, assorted assistive devices were issued to 400 beneficiaries countywide.
 46. Under Public Service and County Administration, Likuyani Sub-County office was operationalized, Completed 10 bridges that had collapsed due to floods under disaster fund, Organized 61 awareness forums on effects of alcohol and drug abuse across the County, Coordinated 58 public participation meetings/forums across the county, Purchased modern Fire Engine, Completed and operationalized County Northern Region Office, Completed and operationalized Bunyala West Ward Office then department Refurbished Shinyalu Sub County and the County Administration Offices respectively.
 47. Construction of 2 open air markets (Dudi and Manyulia), 7 ablution blocks (Shisere, Khuqueen, Khumukwea, Shibuli, Matete, Malaha and Ingavira) and 2 stock rings (Matunda and Shinyalu) have improved trading environment. A total of 552 MSMEs have benefitted with affordable credit of KES. 64.74M. Designation and gazettelement of five heritage sites (Nabongo Shrines, Ikhongo Miurwi, Mawe tatu, Misango Hills, Mugai stones and caves and Kambiri hills) have promoted County tourism. The department has also constructed 3 jua kali sheds at Mumias, Navakholo and Matsakha that have promoted county job creation.

F. Medium Term Fiscal Framework (MTEF)

48. The County pursues prudent fiscal policies aimed at achieving macroeconomic stability in collaboration with the National Treasury and Planning. In addition, the County fiscal policy objectives provide an avenue to support economic activities through implementation of the CIDP 2023 – 2027 with an objective of improving efficiency to effectively deliver public services and ensure various departments receive adequate resources to undertake their priorities sustainably.
49. The County Government is committed to achieve its full Medium Term budgetary targets. This will help to improve the budget absorption rate.

G. Risks to the outlook

50. The risks to the outlook over the Medium-Term include weak internal control systems within the revenue collection and complacency of the citizens. Tackling these issues will reduce the risk and increase revenue collections.
51. Public expenditure pressures, especially recurrent expenditures, pose a fiscal risk. Wage bill pressures and the need to hire more personnel limit funding for development expenditure.
52. The County Government will undertake appropriate measures to safeguard fiscal stability should these risks materialize by mitigating against them.

IV. RESOURCE ALLOCATION FRAMEWORK

A. Adjustment to FY 2023/24 Budget

53. The fiscal performance and the updated macro-economic outlook will enable the County to make adjustment to the current budget by prioritization and alignment of projects and programmes especially on Health, Education, Infrastructure, Urban areas improvement and Agriculture sectors. Moreover, wage bill pressures which limit funding for development expenditure still remains a challenge. In addition, implementation pace in the County spending entities continues to be a source of concern especially with regard to the development expenditures and uptake of resources. The County treasury will closely monitor these risks and take appropriate measures in the budget reviews.
54. Adjustments to the FY 2023/24 budget will take into account actual performance of expenditures and absorption capacity in the remainder of the financial year across all the departments. In the event of expenditure pressures, the County Government will rationalize expenditures by implementing only priority projects and programmes.
55. Though revenue collection has been below target in the previous financial years, there was an increase in the revenue collected in FY 2021/22. The County has put in measures to enhance own source revenue collection in FY 2022/2023 in order to ease expenditure pressure and improve budget absorption.

B. Medium-Term Expenditure Framework

56. Going forward, and in view of the macro-economic outlook, MTEF budgeting will entail adjusting non-priority expenditures to cater for the priority sectors. The MTEF priorities will guide resource allocation as follows:
- The priority areas of the “Big Four Agenda” include; Agriculture, Health, Manufacturing and Housing will receive substantial resources. Other priority sectors which continue to receive substantial allocation include; Road infrastructure, Water, Social Services and Education. These sectors are required to utilize the allocated resources more efficiently to generate fiscal space to accommodate other strategic interventions in their sectors.

The following criteria will serve as a guide for allocating resource to the sectors

- i. Completion of ongoing projects and programmes
- ii. Linkage of the programme with the priorities of Medium-Term Plan IV of the Vision 2030
- iii. Linkage of the programme with the objectives of the County Integrated Development Plans.
- iv. Degree to which a programme addresses core poverty intervention
- v. The extent to which the programme is addressing the core mandate of the County entity
- vi. Cost effectiveness and sustainability of the programme

57. Reflecting the above Medium-Term Expenditure Framework, table 8 provides the tentative projected baseline ceilings for the FY 2024/2025 MTEF, classified by departments.

Table 9: Medium Term expenditure ceilings for FY 2021/22-2024/25

Department	Approved	Revised	Approved Budget	Expenditure Forecast		
	2021/2022	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
	KES	KES	KES	KES	KES	KES
County Assembly	1,239,967,209	1,278,878,607	1,278,480,336	1,291,265,139	1,304,177,791	1,317,219,569
Recurrent	1,189,967,209	1,278,878,607	1,096,480,336	1,107,445,139	1,118,519,591	1,129,704,787
Development	50,000,000		182,000,000	183,820,000	185,658,200	187,514,782
Agriculture, Livestock, Fisheries and Co-operatives	1,617,125,501	1,679,023,495	1,543,858,552	1,559,297,138	1,574,890,109	1,590,639,010
Recurrent	389,119,537	378,119,537	395,428,753	399,383,041	403,376,871	407,410,640
Development	1,228,005,964	1,300,903,958	1,148,429,799	1,159,914,097	1,171,513,238	1,183,228,370
Health Services	4,849,769,455	4,896,635,770	4,945,355,241	4,994,808,793	5,044,756,881	5,095,204,450
Recurrent	3,518,761,849	4,039,911,500	3,578,393,416	3,614,177,350	3,650,319,124	3,686,822,315
Development	1,331,007,606	856,724,270	1,366,961,825	1,380,631,443	1,394,437,758	1,408,382,135
Education, Science & Technology	1,237,310,125	1,141,590,968	1,308,655,348	1,321,741,901	1,334,959,320	1,348,308,914
Recurrent	656,199,660	827,939,661	1,010,592,500	1,020,698,425	1,030,905,409	1,041,214,463
Development	581,110,465	313,651,307	298,062,848	301,043,476	304,053,911	307,094,450
Roads, Public Works and Energy	1,694,714,105	1,870,556,886	1,223,407,323	1,235,641,396	1,247,997,810	1,260,477,788
Recurrent	445,650,140	428,450,134	418,545,777	422,731,235	426,958,547	431,228,133
Development	1,249,063,965	1,442,106,752	804,861,546	812,910,161	821,039,263	829,249,656
Lands, Housing, Urban Areas and Physical Planning	891,878,211	972,329,643	592,677,306	598,604,079	604,590,120	610,636,021
Recurrent	242,924,289	278,806,218	294,402,901	297,346,930	300,320,399	303,323,603
Development	648,953,922	693,523,425	298,274,405	301,257,149	304,269,721	307,312,418
Social Services, Youth & Sports	1,023,981,116	824,216,460	700,968,974	707,978,664	715,058,450	722,209,035

Department	Approved	Revised	Approved Budget	Expenditure Forecast		
	2021/2022	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
	KES	KES	KES	KES	KES	KES
Recurrent	104,496,460	184,216,460	99,308,826	100,301,914	101,304,933	102,317,983
Development	919,484,656	640,000,000	601,660,148	607,676,749	613,753,517	619,891,052
Trade, Industrialization & Tourism	444,660,283	231,572,883	348,339,443	351,822,837	355,341,066	358,894,476
Recurrent	69,660,283	84,572,883	69,339,443	70,032,837	70,733,166	71,440,497
Development	375,000,000	147,000,000	279,000,000	281,790,000	284,607,900	287,453,979
Water, Environment and Natural Resources	837,705,754	564,145,401	564,320,360	569,963,564	575,663,199	581,419,831
Recurrent	95,481,347	85,437,863	94,140,970	95,082,380	96,033,203	96,993,536
Development	742,224,407	478,707,538	470,179,390	474,881,184	479,629,996	484,426,296
Public Service and Administration	1,454,676,389	1,636,471,653	1,447,727,322	1,462,204,595	1,476,826,641	1,491,594,908
Recurrent	1,243,676,389	1,454,343,206	1,322,595,499	1,335,821,454	1,349,179,669	1,362,671,465
Development	211,000,000	182,128,447	125,131,823	126,383,141	127,646,973	128,923,442
Office of the Governor	292,463,332	336,454,935	284,179,745	287,021,542	289,891,758	292,790,675
Recurrent	258,513,332	333,454,935	271,225,541	273,937,796	276,677,174	279,443,946
Development	33,950,000	3,000,000	12,954,204	13,083,746	13,214,584	13,346,729
Finance and Economic Planning	703,140,052	787,965,671	1,009,738,568	1,019,835,954	1,030,034,313	1,040,334,656
Recurrent	608,140,052	716,965,671	947,466,640	956,941,306	966,510,719	976,175,827
Development	95,000,000	71,000,000	62,271,928	62,894,647	63,523,594	64,158,830
County Public Service Board	62,099,024	63,914,229	60,398,483	61,002,468	61,612,493	62,228,617
Recurrent	62,099,024	63,914,229	60,398,483	61,002,468	61,612,493	62,228,617
ICT, E-Government & Communication	119,039,231	116,482,394	97,086,378	98,057,242	99,037,814	100,028,192
Recurrent	46,039,231	47,201,754	50,786,378	51,294,242	51,807,184	52,325,256

Department	Approved	Revised	Approved Budget	Expenditure Forecast		
	2021/2022	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
	KES	KES	KES	KES	KES	KES
Development	73,000,000	69,280,640	46,300,000	46,763,000	47,230,630	47,702,936
Total for the County	16,468,529,788	16,400,238,995	15,405,193,379	15,559,245,313	15,714,837,766	15,871,986,144

C. FY 2023/24 Budget framework

Revenue projections

58. The FY 2023/2024 budget estimates is KES 14.389 Billion excluding balance brought forward. The assumption is that revenue received will be absorbed 100 percent. This is a conservative approach which helps have accurate prediction that is more realistic. As indicated above, this performance will be affected by the reforms in the County revenue administration. Revenue projections from the National Government of KES 12.389 Billion is expected to remain the same. Table 10 presents the County revenue projections over the MTEF period.

Table 10: Summary of Revenue Projections over the medium term

Revenue source	Approved Budget Estimates	Forecast		
	2022/2023	2023/2024	2024/2025	2025/2026
	KES	KES	KES	KES
Own sources	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Balance brought forward – Equitable Share	1,000,400,461	1,169,833,145	935,677,000	935,677,000
Balance brought forward – Conditional grant	309,626,239	-	-	-
Allocations from the National Government				
Total equitable share	12,389,412,168	12,389,412,168	12,389,412,168	12,389,412,168
Conditional Grants				
World Bank Universal Health Care Fund				
KCSAP-Kenya Climate Smart Agriculture Project				
Agricultural Sector Development Support Programme (ASDSP)				
DANIDA Grant	15,380,750			
Kenya Devolution Support Programme-Level 2				
Kenya Informal Settlement Improvement Project- (KISIP II)				
Total conditional allocations -Development Partners	15,380,750		-	-
TOTAL REVENUE	15,405,193,379	15,559,245,313	15,668,923,834	15,661,233,459

Expenditure Forecasts

59. In FY 2023/2024, overall expenditure is projected to be KES 15.559 Billion which is a slight increase from the approved estimate of KES 15.405 Billion in the FY 2022/23 budget.

- Recurrent expenditures have increased due to increase in salaries and wages as a result of yearly increment, new hiring and promotions of personnel in the County government.
- Out of the total budget estimates of KES. 15.559 Billion, development budget proportion is 36.98 per cent.

V. CONCLUSION AND WAY FORWARD

60. The fiscal outcome for 2022/23 does not affect the County objectives as laid out in the last County Fiscal Strategy Paper of February 2022 over the Medium Term but has implication on the current budget because of the pending bills carried forward from the 2021/22 budget. Going forward, the set of policies outlined in this Paper reflect the changed circumstances and are broadly in line with the fiscal responsibility principles outlined in the PFM Act. They are also consistent with the National Government's strategic objectives and the County Government's strategic objectives pursued by the County Government as a basis of allocation of public resources.
61. The improved revenue performance in the FY 2021/22 offers a strong base for supporting the expenditure estimates in the FY 2023/24 and the Medium Term Budget. To strengthen the economic recovery, the budget for FY 2023/24 and the medium term will focus on revenue mobilization in order to reduce the fiscal deficit.
62. The next County Fiscal Strategy Paper (CFSP) will be finalized by February 2023 as provided in section 117 of the PFM Act, 2012.

ANNEX 1: BUDGET CALENDAR FOR FY 2023/2024-2025/2026 MEDIUM TERM BUDGET

	Activity	Responsibility	Deadline
1	Develop and issue MTEF guidelines	County Treasury	30-Aug-22
2	Preparation of annual plan	Economic Planning	1-Sep-22
2.1	Draft County Budget Review and Outlook Paper (C-BROP)	County Treasury	1-Sep-22
2.2	Submission and approval C-BROP by County Cabinet		30-Sep-22
2.3	Submit approved C-BROP to County Assembly		7-Oct-22
3	Determination of Fiscal Framework	Finance and Economic Planning	7-Sep-22
3.1	Estimation of Resource Envelope		9-Sep-22
3.2	Determination of policy priorities		23-Sep-22
3.3	Preliminary resource allocation to sectors and County Assembly		19-Sep-22
4	County Fiscal Strategy Paper	County Treasury	28-Feb-23
4.1	Draft C-FSP	County Treasury	1-Feb-23
4.2	Public participation on the Draft CFSP	County Treasury	14-Feb-23
4.3	Submission & approval of the C-FSP by CEC	County Treasury	21-Feb-23
4.4	Submit approved C-FSP to County Assembly	County Treasury	28-Feb-23
4.5	Passing the C-FSP by the County Assembly	Assembly	14-Mar-23
4.6	Publishing and publicizing the C-FSP	County Treasury	21-Mar-23
5	Preparation and approval of proposed Final Departments/ Agencies Programme Budgets	Treasury	30-Apri-23
5.1	Develop and issue final guidelines on preparation of 2023-24 MTEF Budget	County Treasury	28-Feb-23
5.2	Submission of Budget Proposals to Treasury	Departments	15-Mar-23
5.3	Consolidation of Draft Budget Estimates	County Treasury	1- Apri-23
5.4	Submission of Draft Budget Estimates to the County Assembly	County Treasury	28-Feb-23
5.5	Review of Draft Budget Estimates by County Assembly	County Assembly	15-May-23
5.6	Report on Draft Budget Estimates from County Assembly	County Assembly	15-May-23
5.7	Consolidation of Final Budget Estimates and Cash flows	County Treasury	15-June-23
5.8	Submission of Appropriation Bill to County Assembly	County Treasury	15-June-23
6	Approval of Final Budget estimates	County Assembly	30-Jun-23
7	Appropriation Bill passed	County Assembly	30-Jun-23

	Activity	Responsibility	Deadline
8	Finance Bill passed	County Assembly	30-Jun-23
9	Submission of Vote on Account to County Assembly	Treasury	