

# COUNTY GOVERNMENT OF BUSIA



DEPARTMENT OF LANDS, HOUSING & URBAN DEVELOPMENT

## BUSIA MUNICIPALITY ANNUAL INVESTMENT PLAN AND BUDGET

FY 2018/2019

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## Section 1:

### 1.1 Kenya Urban Support Programme (KUSP) overview

The Kenya Urban Support Programme (KUSP) is a World Bank program intended to: *Support the establishment and strengthening of urban governance and management institutions and systems to deliver improved infrastructure and services in municipalities and cities in 45 participating counties in Kenya.*

Through the provision of grants to counties, for both institutional strengthening and urban infrastructure and services, the programme seeks to incentivize county governments to put the provisions of the UACA (2011) in place and establish appropriate institutional arrangements for urban development.

In order to achieve the development objective as stipulated above, the programme has two interlinked components.

#### **(i) The urban development grant (UDG)**

The mainstay of the programme is the urban development grant (UDG) for infrastructure and urban services. Under this component, Busia County government has accessed 101M, for the year 2018/19 after it meet certain minimum conditions and performance standards that were linked to the establishment of urban governance institutions

#### **(ii) The urban institutional grant (UIG)**

To help the county government meet the minimum conditions and performance standards to access the urban development grant, Busia accessed the urban institutional grant to the tune of 41M. This grant is meant for any activity or investment that, in a sustainable and institutionalised manner, raises the profile of and attention for urban development and urban service delivery.

## **1.2 Busia Municipality legal status**

Busia Municipality is established as per the Urban Areas and Cities Act of 2011 (amended 2019). It qualified to be a municipality not only because it's the Headquarters of Busia County, but also because it met the minimum condition as stipulated in the Third schedule of the County Government Act, the Urban Areas and Cities Act which requires towns intending to be considered for grant of a municipality status to fulfill the following criteria:

1. Have a population of at least at least between seventy thousand and two hundred and forty-nine thousand (70,000-249, 000) residents;
2. Must have an integrated urban area or city development plan;
3. Must have a demonstrable capacity to generate sufficient revenue to sustain its operations;
4. Have capacity to effectively and efficiently deliver essential services to its residents as provided in the First Schedule to the Urban Areas and Cities Act.

## **1.3 The Objects of the Municipality of Busia**

The objects of the Municipality of Busia are to:-

- (i) Provide for efficient and accountable management of the affairs of the Municipality.
- (ii) Provide for a governance mechanism that will enable the inhabitants of the Municipality to:
  - a. Participate in determining the social services and regulatory framework which will best satisfy their needs and expectations.
  - b. Verify whether public resources and authority are utilized or exercised, as the case may be, to their satisfaction.
  - c. Enjoy efficiency in service delivery.
- (iii) Vigorously pursue the developmental opportunities which are available in the Municipality and to institute such measures as are necessary for achieving

public order and the provisions of civic amenities, so as to enhance the quality of life of the inhabitants of the Municipality.

- (iv) Provide a high standard of social services in a cost effective manner to the inhabitants of the Municipality.
- (v) Promote social cohesiveness and a sense of civic duty and responsibility among the inhabitants and stakeholders in the Municipality in order to facilitate collective action and commitment towards achieving the goal of a harmonious and stable community.

#### **1.4 The Role of Busia Municipality Board**

Under the KUSP programme, The Board of the Municipality of Busia and the County Government of Busia are charged with the responsibility of having proper municipal plans that are prepared and implemented as per the County Governments Act of 2012 and the Urban areas and Cities Act of 2011 (amended 2019). The Integrated Urban Development Plan of Busia will ensure the municipality is able to deal with the effects of urbanisation such as urban sprawl, rise of informal settlements and uncontrolled developments. Below are the specific roles of the Board:

- 1) To provide a framework to facilitate security of land tenure
- 2) To identify and analyse planning issues and challenges, harness existing opportunities and propose intervention measures for mitigating the planning issues and challenges
- 3) To propose appropriate land uses, locations and permissible densities
- 4) To provide a policy framework for socio-economic investments, economic use of space, infrastructure services and public facilities
- 5) To facilitate the development of County Urban Institutional Development Strategy

The municipal board and staff are to ensure proper planning and establishment of adequate industrial and special economic zones within the municipality, control

development, provide services to the residents and provide proper Governance structures. It will also develop the adequate policies and regulations that will govern the Municipality.

### **1.5 Principles of the Municipal Investment Plan**

The Municipal Investment Plan is guided by the following principles as stipulated in the Busia Urban Integrated Development Plan:

1. Sustainable development: the plan is enhancing sustainable utilization of resources for the current generation without compromising the needs for future generation
2. Equitable distribution of resources: the plan aims at promoting equal distribution resources and optimal use of natural resources.
3. Enhanced accessibility: the plan supports opening up of access roads and tarmacking of existing all-weather roads within the municipality
4. Promote aesthetics: The plan supports establishment of landscaping of the town to ensure aesthetic impression and beauty is restored
5. Inclusivity- Multi-sectorial, multidisciplinary and participatory approach: The plan follows all-inclusive process. It requires that all stakeholder groups are represented: local direct and indirect users, public authorities, private investors, NGOs and CBOs

## Section 2

### 2.1 The Budget for the KUSP grants

<b>DRAFT KENYA URBAN SUPPORT PROGRAM (KUSP) WORKPLAN 2018/2019</b>							
<b>URBAN JNSTITUTIONAL GRANT-UIG, 2018/2019</b>							
<b>PHASE 1</b>							
Activity Number	Name of the Activities	Time Line		Source Of Funds			Total budget
		Start Date	End Date	UIG	Other-1	Other-2	
BCG/KUSP1	1A..Refurbishment the municipal office	15th, July 2019	1st August 2019	900,000	0	0	900,000
	1B.Furniture and Office supply	15th, July 2019	1st August 2019	3,255,000	0	0	3,255,000
	1C. Computers and other related office equipment	15th, July 2019	1st August 2019	1,620,000	0	0	1,620,000
BCG/KUSP2	2 Initial training of the CPCT on the KUSP program	29th, July 2019	2nd, August, 2019	2,542,000	0	0	2,542,000
BCG/KUSP3	3.Developing, Reviewing and publishing of Municipality strategic plan	19th, July 2019	19th, August, 2019	3,500,000	0	0	3,500,000
BCG/KUSP4	4..Developing, Reviewing and publishing of Municipality Investment	19th, July 2019	19th, August, 2019	2,500,000	0	0	2,500,000
BCG/KUSP5	5. Initial training of the Technical Committee	5th, August 2019	9th, August, 2019	2,665,000	0	0	2,665,000
BCG/KUSP6	6.Training for the Directors	12th, August 2019	16th, August, 2019	1,607,000	0	0	1,607,000
BCG/KUSP7	7.Initial Training for the Municipality Board	19th, August 2019	23rd, August, 2019	858,000	0	0	858,000
BCG/KUSP8	8.Further Training for the Municipality Board on the Municipality management	26th, August 2019	30th, August 2019	1,520,000	0	0	1,520,000
<b>GRANT TOTAL(Phase 1)</b>							<b>20,967,000</b>

DRAFT KENYA URBAN SUPPORT PROGRAM (KUSP) WORKPLAN 2018/2019							
URBAN INSTITUTIONAL GRANT-UIG, 2018/2019							
PHASE 2							
Activity Number	Name of the Activities	Time Line		Source Of Funds			Total budget
		Start Date	End Date	UIG	Other-1	Other-2	
BCG/KUSP9	9.Public participation on the Municipality Investment and strategic plan	2nd, Sept 2019	5th, Sept 2019	1,592,000	0	0	1,592,000
BCG/KUSP10	10.Preparation of Municipal Integrated Development Plan-IDep	9th, Sept 2019	14th, Sept 2019	3,798,000	0	0	3,798,000
BCG/KUSP11	11. Preparation of the County Urban Investment Plan (CUIDS) 19/20	1st, August 2019	30th, August 2019	1,250,000	0	0	1,250,000
BCG/KUSP12	12..Managerial courses	Jan	March	932,700	0	0	932,700
BCG/KUSP13	13. Sitting allowances for Municipal board members	1st, August 2019	30th, June 2020	1,330,000	0	0	1,330,000
BCG/KUSP14	14A..Preparation of Municipal Integrated Development Plan-Spatial Plan	11th, Nov 2019	6th, Dec 2019	3,588,000	0	0	3,588,000
	14B.Public participation on the Municipality Investment and strategic plan	2nd, October 2019	5th, October 2019	1,592,000	0	0	1,592,000
BCG/KUSP15	15.technical committee meetings	8th, October 2019	12th, October 2019	1,157,500	0	0	1,157,500
BCG/KUSP16	16.Public participation report writing charter	22nd, October 2019	25th, October 2019	1,060,000	0	0	1,060,000
BCG/KUSP17	17. Municipality Website Development	1st Sept 2019	30th, October 2019	350,000	0	0	350,000
BCG/KUSP18	18.Municipality Staff and officers Benchmarking	3rd, October 2019	30th, October 2019	3,000,000	0	0	3,000,000
	<b>PHASE 2 TOTAL</b>						<b>19,650,200</b>
	<b>GRANT TOTAL</b>						<b>40,617,200</b>



DRAFT KENYA URBAN SUPPORT PROGRAM (KUSP) WORKPLAN 2018/2019								
URBAN DEVELOPMENT GRANT-UDG, 2018/2019								
Activity Number	Name of the Activities	Specific Actions to be Carried Out	Time Line (start and end dates)		Source of funds			Total budget
					UDG	Others-1	Others-2	
BCG/KUSP20	20. Waste management	Tractors with skip loaders and Skips	Apr-19	Aug-19	19,875,000	0	0	19,875,000
		Collection fixed bins	Apr-19	Aug-19	18,000,000	0	0	18,000,000
<b>Sub Total</b>								<b>37,875,000</b>
BCG/KUSP 21	21. Connectivity (roads, non-motorized transport facilities, and street and security lights)	High Mast Lights	Apr-19	Aug-19	30,000,000	0	0	30,000,000
		Walkways and access roads	Apr-19	Aug-19	24,571,425	0	0	24,571,425
		Road signs	Apr-19	Aug-19	2,000,000	0	0	2,000,000
<b>Sub-Total</b>								<b>56,571,425</b>
BCG/KUSP 22	22. Urban socio-economic infrastructure . public spaces	Parking bay	Apr-19	Aug-19	11,615,075	0	0	11,615,075
<b>Sub-Total</b>								<b>11,615,075</b>
<b>TOTAL</b>								<b>106,061,500</b>

## Section 3

### 3.1 Justification for the expenditure

The guiding principles of devolution are as set out under Article 174 of the Constitution which include:

- (a) Promote democratic and accountable exercise of power;
- (b) Foster national unity by recognising diversity;
- (c) Give powers of self-governance to the people and enhance the participation of the people in the exercise of the powers of the State and in making decisions affecting them;
- (d) Recognise the right of communities to manage their own affairs and to further their development;
- (e) Protect and promote the interests and rights of minorities and marginalised communities

To further reinforce the issue of Public Participation, the Urban Areas and Cities Act of 2011 (amended 2019) emphasizes that the board established under this act should ensure the development of mechanisms for the participation of the residents of the municipality of Busia in the management and administration of the Municipality. Under this programme, the prioritization and selection of urban investments will take into account citizen participation; Its on this basis that each and every section is followed by the public participation forum just to ensure that the final documents and selected projects and activities incorporates the wishes of the citizens served by the Municipality

### 3.2 Eligible activities under the UIG

Central to the overall objective of the KUSP is the desire to stimulate County Governments to pay explicit attention to urban development issues, and create, in response to the existing legal framework, the necessary urban institutions (urban boards) to manage these issues. The Urban Institutional Development Grant (UIG),

under window-2 of the KUSP, is to provide the County Governments with financial resources to:

- (i) Establish and strengthen the urban institutions, notably the municipal board(s) and the municipal administration(s);
- (ii) Integrate and regularly update the section on urban development issues (challenges and opportunities) in the County's development strategy and its ensuing development plan;
- (iii) Assist the County Government and their urban institutions in meeting the minimum the conditions necessary to access the urban development grant.

The UIG can be used by the County Government for all activities to help achieve the above-defined objectives . Within that context and within the menu of eligible activities with are:

- Urban planning activities/exercises (including spatial or town planning)
- Training costs (e.g. for Municipal Board members or other relevant county staff)
- Workshops and learning events
- Meeting costs, including local travel allowances, refreshments (e.g. related to the development of Municipal Charter and other urban planning activities)
- Experience sharing and peer---learning activities with other counties
- Incremental office operating costs (stationery, etc.)
- Office equipment and furniture (for urban boards and urban administrations)\*

The governing principle is that the UIG funded activities contribute to strengthen the ability of the county and its urban institutions to engage in the management of urban development and the provision of urban services as part of an overall agenda for installing good urban governance.

### **3.3 Eligible Projects under the UDG**

The eligible activities that can be funded under the Urban Development Grant, which are typical urban infrastructure works, both new and rehabilitation, related to waste

management, drainage, roads and public spaces. The list of eligible activities also includes urban socio-economic infrastructure as well as functions of the fire brigade and disaster management. In cases, a dispute may arise on the location/selection of the projects, project benefit sharing, pre-existing or historical social issues in communities, but the chances of such conflicts are expected to be minimal, as the programme, by its nature, promotes good (better) urban governance and provides for consultative processes prior to decision-making. This all failing, there is the provision of the grievances redress mechanism. This notwithstanding, it is explicitly stated that no investments may be funded by the UDG that could be anticipated to lead to or aggravate social conflict between or within communities or counties. In order to further mitigate and avoid adverse social impacts, no project shall be funded under the UDG that:

- requires physical displacement of households;
- requires economic displacement of more than 200 persons;
- is likely to create or exacerbate conflict within communities or neighboring counties; ; or
- has significant impacts on vulnerable and/or marginalized/indigenous groups

When undertaking the appraisal of potential investment projects, these aspects of environmental and social impact shall be considered explicitly and, if recommended for implementation, it shall be stated that none of the above prohibiting factors applies. For each project funder under UDG the social environmental check list as provided in Vol II, Annex 16 needs to be filled, filed and adhered to. The checklist (in Annex 16) has special provisions in case of land acquisition. In order to address issues of the social and environmental impact assessment, the counties and urban boards may seek assistance from the KUSP Programme coordination team and the full time expert in the Central Technical Assistance team dealing with these issues

### **3.4 Benefits of Projects under the UDG**

- Availability of waste bins and skip loaders and related haulage will enable separation of waste at source and generally the bins will enable enhancement of clean towns as all solid waste will be expected to be thrown into the bins.
- Installed flood masts will enhance lighting of the streets at night and this will ensure there is adequate security in the streets. Traders will be able to conduct business till late into the night and that will mean they are able to improve their earning power.
- Upgrading of murum road to bitumen standards will promote accessibility of the respective areas on all weathers.

### **3.5 Implementation modalities and timeframe**

- The first responsible party for the planning of the use of the Urban Development Grant is the urban board with assistance from the urban manager and his/her staff, whilst taking into account inputs from stakeholders including citizens.
- Open procurement process will be used to get access to the Urban Development Grant, as for the Urban Institutional Grant, both the County Government and the concerned municipality (municipal board) must meet certain stipulated minimum conditions. If all these are met, the Municipality will get access to 50 percent of the calculated allocation. The allocations for the other 50% will be pro-rata based on a performance score for that municipality against ten performance standards. Support for urban governance structures through urban boards KUSP is meant to stimulate (through windows 2 and 3) and assist (through windows 1 and 2) County governments to put the above urban institutional arrangements in place, and to formalise this through a municipal charter that spells out what functions and decision-making mandates the County Government is delegating to its Urban board(s).