



REPUBLIC OF KENYA

COUNTY GOVERNMENT OF BUSIA

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

FY 2017/2018

DEPARTMENT OF FINANCE, ECONOMIC PLANNING & ICT

SEPTEMBER 2018

FOREWARD

It is my pleasure to present the Busia County Budget Review and Outlook Report for FY 2017/2018. This report is prepared in accordance with section 118 of the Public Finance Management Act, 2012.

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

In FY 2017/18, Busia County Government total budget approved by the County Assembly amounted to Ksh. 7.449.01 Billion. This comprised of Ksh. 5.06.Billion (67.93 per cent) allocated to recurrent expenditure and Ksh. 2.389 Billion (32.07 percent) for development expenditure. Out of this, the county expected to receive Ksh. 5.828 Billion as equitable share and Kshs 431.953 as conditional grants, Ksh.412.16Million from own source and balance brought forward from FY 2016/17 of Ksh.593.14Million in CRF, Kshs. 121.85 Routine Maintenance Fuel Levy and Kshs. 61.32 balance brought forward of the County Assembly

The county did receive the entire amount of equitable share and balance brought forward for FY 2016/17 from the national government. The actual conditional grants were Ksh. 431.953 Million. An additional Kshs 553 Million was received under the Kenya devolution support programme and Kshs. 8.64 DANIDA. Actual local revenue collected was Ksh.176 Million.

Hon. Phaustine A. Barasa.

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

ACKNOWLEDGEMENT

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

More specifically, I am grateful to the budget secretariat whose team comprised of the following officers: Mr. Korir Kelong, Mr. Elias Abelu, Mr. Hudson Mugendi, Ms. Rose Sang, Mr. William Picha, Mr. Bonface Amwayi, Mr. Eric Wamalwa, Mr. Bernard Onunga, Mr. Nicholas Mutua Kiema, Mr. Isaac Enaga, Miss. Cynthia Amaase, Mr. William Chepkwony, Ms. Joselyne Chepkwony, Mr. Jairus Angana, Mr. Abdallah Issah, Mr. Paul Atelu, Mr. Michael Aderi and Mr. Chrisantus Okware Ekesa.

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

Omoit Iseren Priscah

Ag Chief Officer – Finance, Economic Planning & ICT

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ABBREVIATIONS AND ACRONYMS

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

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

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

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

Fiscal Responsibility Principles in the Public Financial Management Law

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

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

I. INTRODUCTION

Objectives of County Budget Review and Outlook Paper (CBROP)

- 1.** The objective of the 2018 County Budget Review and Outlook Paper (CBROP) is to:
 - a.** Provide a review of fiscal performance for the FY 2017/18 and how this performance impacts on the financial objectives and fiscal responsibility principles set out in the 2018 County Fiscal Strategy Paper (CFSP).
 - b.** This 2018 CBROP is a key document in linking policy, planning and budgeting. The department's priority submission is in line with County Integrated Development Plan (CIDP) 2013-2017.
 - c.** As required by the PFM Act, 2012, budget process aims to promote the efficient and effective use of resources, based on evidence and rational deliberation. To achieve this, CBROP has provided the proposed departmental ceilings as guided by the overall resource envelope as presented in Annex 1 of this document. The sector ceilings set in motion the budget preparation for the FY 2019/20 and the medium term.
 - d.** CBROP provides highlights on the performance of the county departments and reasons for any deviation.
- 2.** However, the underperformance in both revenue collection and expenditure in the FY 2017/18 has implications on the financial objectives outlined in the 2018 CFSP and the 2018/19 Budget. This necessitated the preparation of the 2018/2019 supplementary Budget in the first quarter.
- 3.** Further, the 2018 CBROP details appropriate revisions taking into account the deviations and budget outturn for the FY 2017/18. In addition, the fiscal outlook contained in this CBROP focuses on reforming the tax and revenue administration systems to enhance revenue collections and promote compliance as indicated in the 2018 CFSP.

Legal Framework

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

iii. As soon as practicable after having done so, publish and publicize the Paper.

II. REVIEW OF FISCAL PERFORMANCE FOR THE FY 2017/2018

Overview

5. This section presents an overview of the financial analysis, performance and implementation of the budget for the financial year 2017/2018.
6. The fiscal performance for the FY 2017/18 budget was slow occasioned by a shortfall in revenues and mounting expenditure pressures. The FY 2017/18 was particularly challenging because of the protracted general elections which affected revenue performance and exerted expenditure pressures.
7. Implementation of 2017/2018 budget was faced several challenges:
 - a. Low absorption of development expenditure.
 - b. Underperformance of actual local revenue collections that fell from Ksh. 255.23 Million in 2016/2017 FY to Ksh. 176.295 Million in 2017/2018 FY (30.93% drop) against a projection of Ksh. 412.155 Million.
 - c. Rising wage Compensation of employees stood at Ksh 2,536.61 in FY 2017/2018 compared to Ksh.2,486.30 Billion reported in the FY 2016/2017 and Ksh. 2,333.02 in 2015/2016.

FY 2017/2018 Financial Analysis of the County Budget

Revenue Analysis

8. In FY 2017/18, the total approved budget amounted to Ksh. 7.449 billion. This comprised of Ksh. 5.059 billion (67.92 per cent) allocated to recurrent expenditure and Ksh. 2.389 billion (32.08 per cent) for development expenditure. This represented an increase by 8.66 % of the recurrent and a drop of 3.62 % of the development allocations.
9. In order to finance the budget, Busia County expected to receive Ksh. 5.828 billion as equitable share of revenue from Exchequer, Ksh. 431.954 Million as total conditional grants from the National Government, generate Ksh. 412.155 Million from local sources, and Balances brought forward amounting to Ksh. 776.31 Million.
10. The conditional grants comprised of Ksh. 59.553 Million for World Bank Loan for Transforming Health Systems for Universal Care, Ksh. 231.792 Million from the Road Maintenance Fuel Levy Fund, Ksh. 63.706 Grant for Development of Youth Polytechnics, Ksh. 16.93 Million for compensation of User Fees Foregone, Ksh. 15.707 Million from DANIDA and Ksh. 44.26 Million from Word Bank (KDSP)

Local Revenues

11. The total annual local revenue target for Busia County in FY 2017/18 was Ksh. 412.155 Million. During the reporting period, the county generated a total of Ksh. 176.295 Million, which was 42.77% of the annual target. This represents a decline of Ksh. 78.928 from the previous year's collection (Ksh. 255.223-176.295 Million).
12. The Revenue from own sources performed dismally falling short of target by Ksh. 235.86 Million. The monthly local revenue collection in FY 2016/17 and FY 2017/2018 is shown in the table below.
13. The monthly local revenue collection in FY 2016/17 and FY 2017/18 is shown in the table below.

Table 1: Monthly Local Revenue-FY 2016/2017 and FY 2017/2018

FY	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	Totals
2016/ 2017	22.41	28.9	18.67	22.6	21.483	20.31	23.61	21.6	25.34	18.32	17.32	14.66	255.223
2017/ 2018	13.1 4	9.11	9.92	11.32	9.7	12.87	17.32	16.63	19.48	23.12	17.7	15.98	176.29

Graph 1: Monthly Local Revenue- FY 2016/2017 and 2017/2018 (Mill. Ksh.)

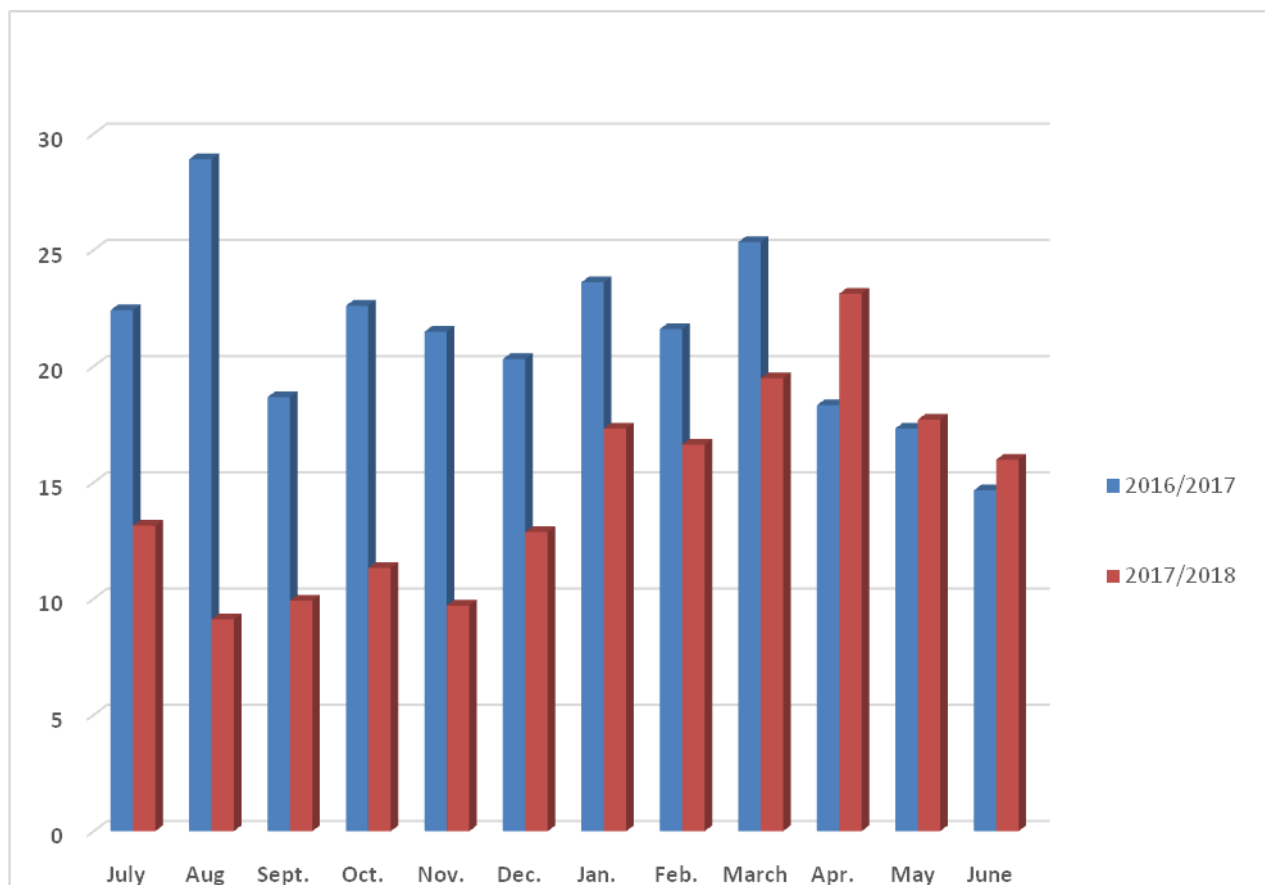


Table 2: Local Revenue Collection per Quarter 2016/2017-2017/2018

N0	Quarter	Amount Collected (Ksh. Millions)	
		2016-2017	2017-2018
1	1 st Quarter	69.99	32.17
2	2 nd Quarter	64.4	33.89
3	3 rd Quarter	70.55	53.43
4	4 th Quarter	50.29	56.8
TOTAL		255.23	176.29

Source: County Treasury

Graph 2: Local Revenue Collection per Quarter 2016/2017-2017/2018 (Mill.Ksh.)

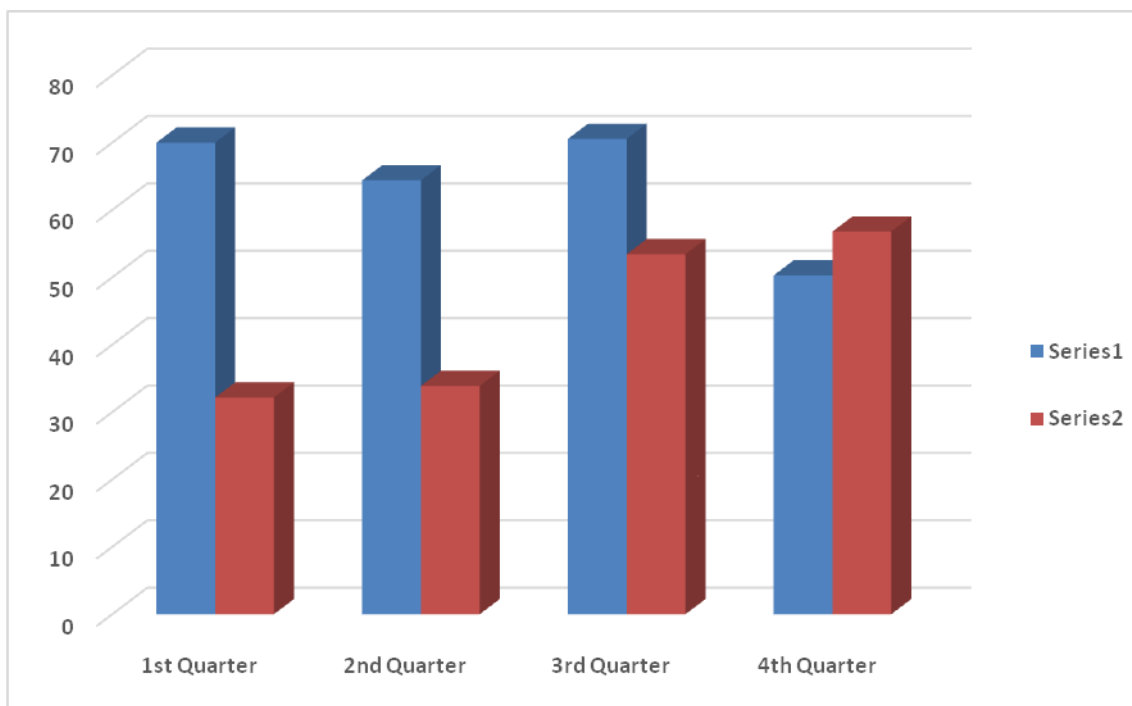


Table 3: Total County Resource Envelope for FY 2017/2018 (Ksh. Millions)

Department	Revenue Sources	Approved Budgeted (Mill)	Actual (Mill)	Variance (Mill)
Administrative Services	Administration charges	0.0290	-	(0.0290)
	Application/Tender/Approval/Transfer fees	0.0120	0.0020	(0.0100)
	Impounding/ Clamping fees	0.1000	0.0013	(0.0987)
	Penalties and in illegal cuttings	-	-	-
Sub-Total		0.1410	0.0033	(0.1377)
Agriculture & Animal Production	Sugarcane cess	2.5000	1.6014	(0.8986)
	Fish cess	3.0000	2.1324	(0.8676)
	Tractor hire services	3.8576	0.5765	(3.2811)
	Agricultural Training College (ATC) Busia	2.5000	1.2181	(1.2819)
	Veterinary services	2.3000	1.3115	(0.9885)
	Stock Sale	5.8000	2.8430	(2.9570)
	Fish traders license	0.0370	0.0426	0.0056
	Fish movement permit	0.8400	0.0188	(0.8212)
	Fisherman license	0.0605	0.1089	0.0484
	Registration of boat license	0.5000	0.0002	(0.4998)

	Wakhungu fish farm	0.6054	-	(0.6054)
	Fish import permit	1.1409	0.7323	(0.4087)
	Agricultural Machinery Services (AMS)	0.1000	-	(0.1000)
	Fingerlings sells	0.1446	-	(0.1446)
	Fisheries Department	-	-	-
Sub Total		23.3860	10.5856	(12.8003)
Community Dev, Children & Social Services	Hire of Hall/Social/office	0.1000	0.0220	(0.0780)
	Liquor Licence	27.0000	5.1670	(21.8330)
	Group registration	-	0.0105	0.0105
	Office rent	-	-	-
Sub-Total		27.1000	5.1995	(21.9005)
Education & Vocational Training	Registration of ECD	0.0550	0.0080	(0.0470)
	Nursery fees	0.0200	-	(0.0200)
Sub-Total		0.0750	0.0080	(0.0670)
Health	Mortuary / burial fees	0.6600	0.7041	0.0441
	Slaughter fees	1.5375	0.7995	(0.7380)
	Hospital User fees	79.9987	8.2924	(71.7064)
	Public Health	4.8576	2.0189	(2.8387)
	Toilet fees	-	-	-
	Solid waste collection	-	-	-
	Maternity fees	-	-	-
	Health Sector Fund	12.4800	-	(12.4800)
Sub-Total		99.5338	11.8149	(87.7190)
Lands, Housing & Urban Development	Sub-Division (land)	0.6000	-	(0.6000)
	Advertisement	4.5000	3.2169	(1.2831)
	Contribution in lieu of Rates (CILOR)	3.0000	-	(3.0000)
	Land Rates (Site value rates/Ground rent)	6.9684	1.7844	(5.1840)
	Land rate collection/arrears	4.9000	0.0301	(4.8700)
	Plot Rent	2.6000	1.3494	(1.2506)
	Private Rental commercial	0.0385	-	(0.0385)
	Private rental domestic	0.6000	-	(0.6000)
	Application of plans	1.8000	0.2907	(1.5093)

	Title deeds registration of documents search charges, attestation inspections	0.1000	0.0020	(0.0980)
	Building plans approval	2.6500	1.4523	(1.1977)
	Trailer Parking fees	98.0000	24.0856	(73.9144)
	Bus Parking fees	35.0000	22.9899	(12.0101)
Sub-Total		160.7569	55.2013	(105.5556)
Roads, Transport and Public works	Motor Cycle Fees	-	-	-
		-	-	-
Sub-Total		-	-	-
Trade, Cooperative Devt, Tourism & Industry	Single Business Permits	39.0473	32.3622	(6.6851)
	Market stalls /kiosks income	1.5000	0.5991	(0.9009)
	Kiosk rent	-	-	-
	Markets fees	25.0000	15.6715	(9.3285)
	Transit Produce cess	20.0000	23.4248	3.4248
	Stall rent	-	-	-
	Tobacco cess	3.2426	1.5158	(1.7268)
	Tourism	0.5000	-	(0.5000)
	Stamping, Weighing & Measuring, Equipment Fines	1.0000	0.3164	(0.6836)
	Co-operative audit fees	0.5000	0.0645	(0.4356)
Sub Total		90.7899	73.9542	(16.8357)
Water, Environment & Natural Resources	Sand cess	1.0000	0.1066	(0.8934)
	Quarry cess	0.6000	-	(0.6000)
	Busia Hills Water Supply	2.7592	0.3373	(2.4218)
	Busijo Water Supply	0.5705	0.2741	(0.2964)
	Butula Water Supply	1.0890	0.8825	(0.2065)
	Munana Water Supply	1.4469	0.2755	(1.1714)
	Port Victoria Water Supply	2.1600	1.9796	(0.1804)
	Noise	0.6371	0.2092	(0.4279)
	Timber Cess	0.1000	-	(0.1000)
	Mining of natural resources	-	-	-
	Sale of county public trees	-	-	-
	Other Miscellaneous	0.0100	15.4629	15.4529
Sub Total		10.3726	19.5278	9.1551

	Total Revenue Local Sources	412.1552	176.2946	(235.8606)
National Government		-	-	-
Balance B/F 2016/2017		593.1421	593.1421	-
Road Maintenance Levy B/F 2016/2017		121.8515	121.8515	-
Equitable share		5,828.6000	5,828.6000	-
Universal health care		59.5528	35.7084	(23.8444)
Donor Funding:		-	-	-
DANIDA 2016/2017		15.7072	15.7072	-
World Bank(KDSP)		44.2613	597.3006	553.0392
Compensation for user fees forgone		16.9341	17.3028	0.3687
Road Maintenance Levy 2016/2017		231.7922	231.7922	-
Grants for VTC		63.7060	63.7060	-
County Assembly AIA		61.3166	-	(61.3166)
Sub-Total		7,036.8639	7,505.1109	468.2469
GRAND TOTAL		7,449.0192	7,681.4054	232.3863

Source: County Treasury

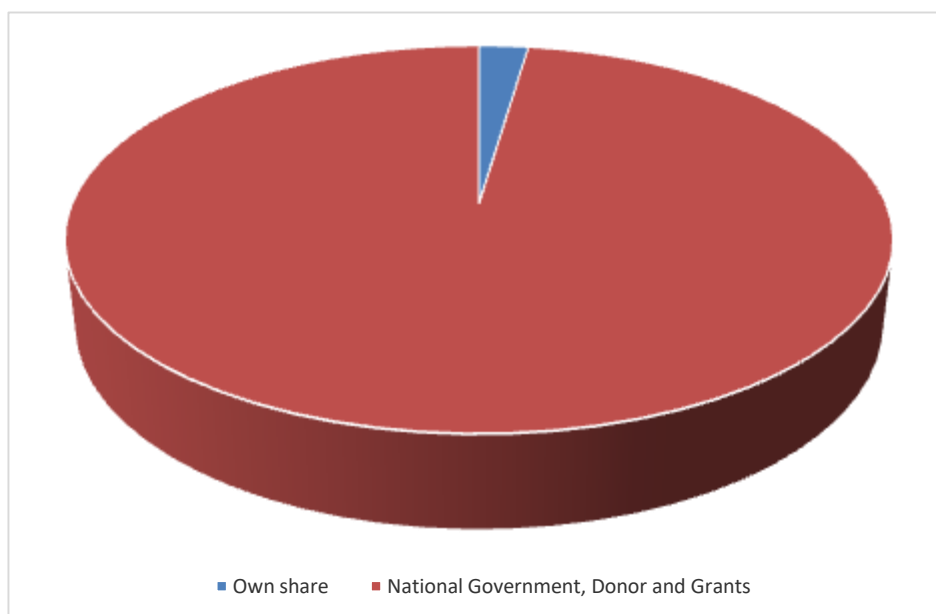
14. In FY 2017/2018 the highest contributor to local revenue was Single Business Permit which accounted for 18.36% of the total local revenue. This was followed by Trailer parking fees and Bus Parking fees which accounted for 13.66% and 13.04% respectively.

Table 4: Summary of the Total County Revenue Received (Ksh. Millions)

ACTUAL TOTAL REVENUE	
Own share	176.29
National Government, Donor and Grants	7,505.11
TOTAL	7,681.40

Source: County Treasury

Chart1: Analysis of Total Revenue, Busia County



Expenditure Performance

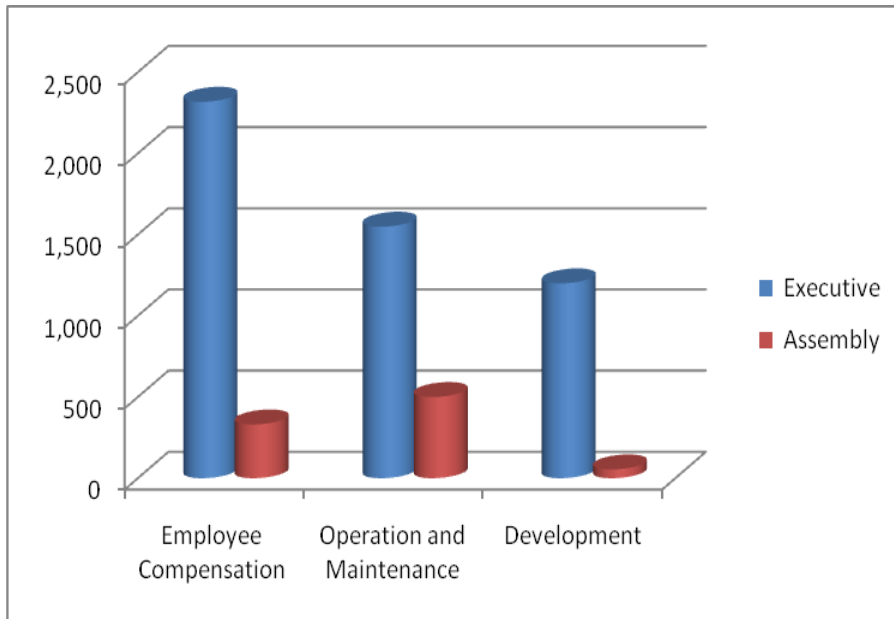
15. The total actual expenditure for Busia County in FY 2017/18 was Ksh. 5.592 billion representing an absorption rate of 79.9% of the total Budget. This was a decrease from an absorption rate of 87.8 % attained in FY 2016/17.
16. Personnel expenditure for FY 2017/2018 was Ksh. 2.649 billion, representing 99.1% of the annual Personnel Emolument budget.
17. O & M expenditure for FY 2017/2018 was Ksh. 2.049 billion, representing 85.84% of the annual Personnel Emolument budget.
18. Actual Development expenditure amounted to Ksh. 1.254 billion, representing an absorption rate of 52.49% of the annual development budget. The analysis of expenditure by economic classification in FY 2017/18 is provided in Table below.

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

	Budget Allocation	Executive	Assembly	Total	Percentage absorption
Employee Compensation	2,673	2,318	331	2,649	99.10%
Operation and Maintenance	2,387	1,549	500	2,049	85.84%
Development	2,389	1,200	54	1,254	52.49%
Total Expenditure	7,449	5,067	885	5,952	79.90%

Source: County Departments and County Assembly

Graph 2: Analysis of Total Expenditure (Ksh. Mill)



Source: County Departments and County Assembly

Departmental Expenditure Summary

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

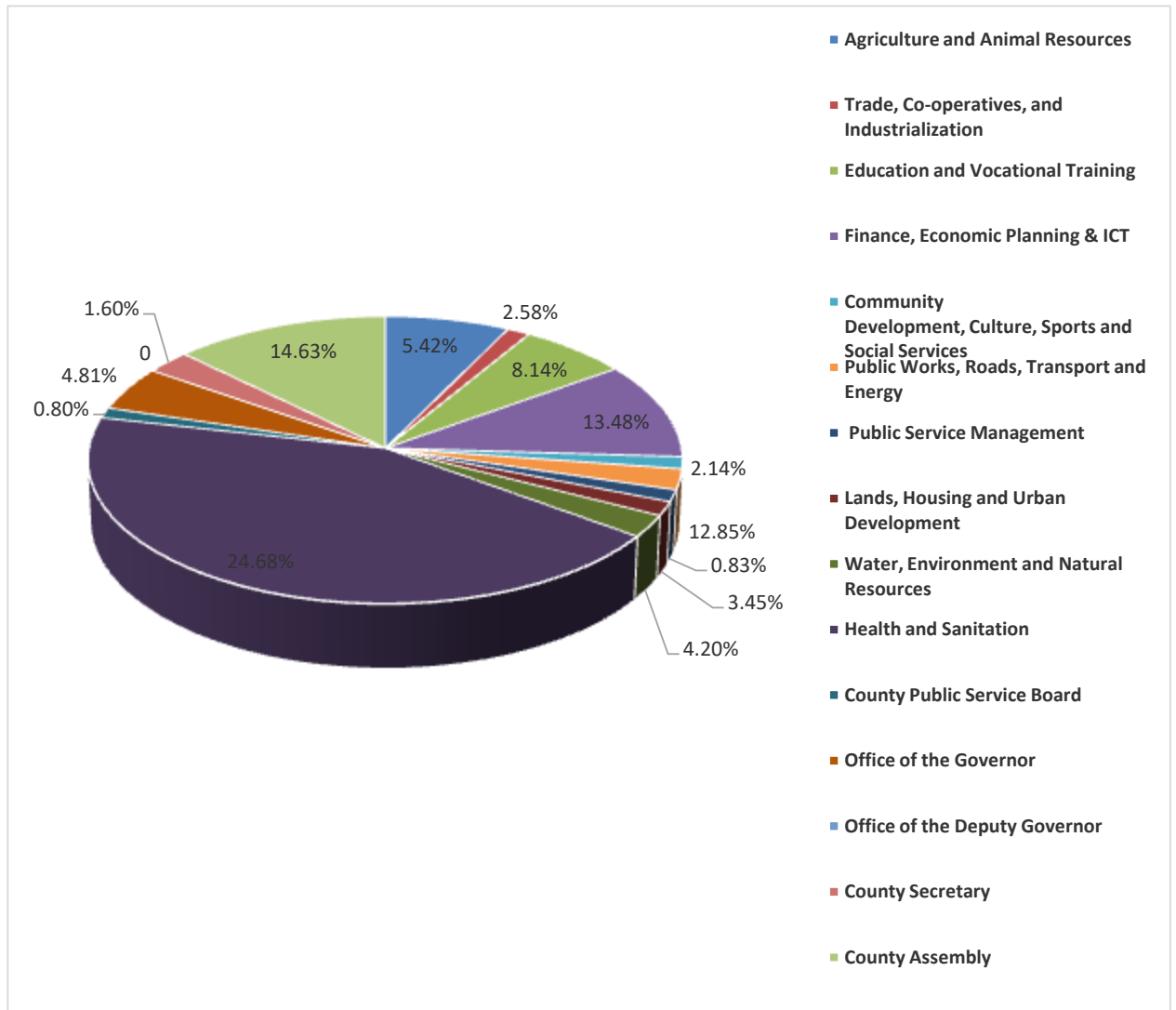
Table 6: Departmental Budget Allocation for the period ending 30th June 2018 (Million)

DEPARTMENT	Employee Compensation (Mill)	O&M	Development (Mill)	Total Budget Allocation (Mill)	Percentage allocation
Agriculture and Animal Resources	195.71	45.74	162.2421	403.69	5.42
Trade, Co-operatives, and Industrialization	36.09	20.19	135.6821	191.96	2.58
Education and Vocational Training	172.13	185.93	247.9462	606.01	8.14
Finance, Economic Planning & ICT	289.53	680.34	33.94396	1,003.81	13.48
Youth, Sports, Tourism, Culture, and Social Services	36.20	55.22	68.33867	159.77	2.14

Public Works, Roads, Transport and Energy	62.10	34.81	860.378	957.29	12.85
Public Service Management	35.07	26.44	0	61.50	0.83
Lands, Housing and Urban Development	42.19	64.59	150.1924	256.97	3.45
Water, Environment and Natural Resources	66.91	44.36	201.802	313.08	4.20
Health and Sanitation	1162.10	382.70	293.574	1838.37	24.68
County Public Service Board	31.27	28.23	0	59.50	0.8
Office of the Governor	132.50	173.43	52.4048	358.33	4.81
Office of the Deputy Governor	0.00	30.33	0	30.33	0.41
County Secretary	71.20	47.68	0	118.88	1.60
County Assembly	340.07	566.56	182.9032	1089.53	14.63
Total	2673.07	2386.55	2389.407	7449.02	100

Source: County Departments and County Assembly

Chart 3: Analysis of Approved Budget Allocation by Departments



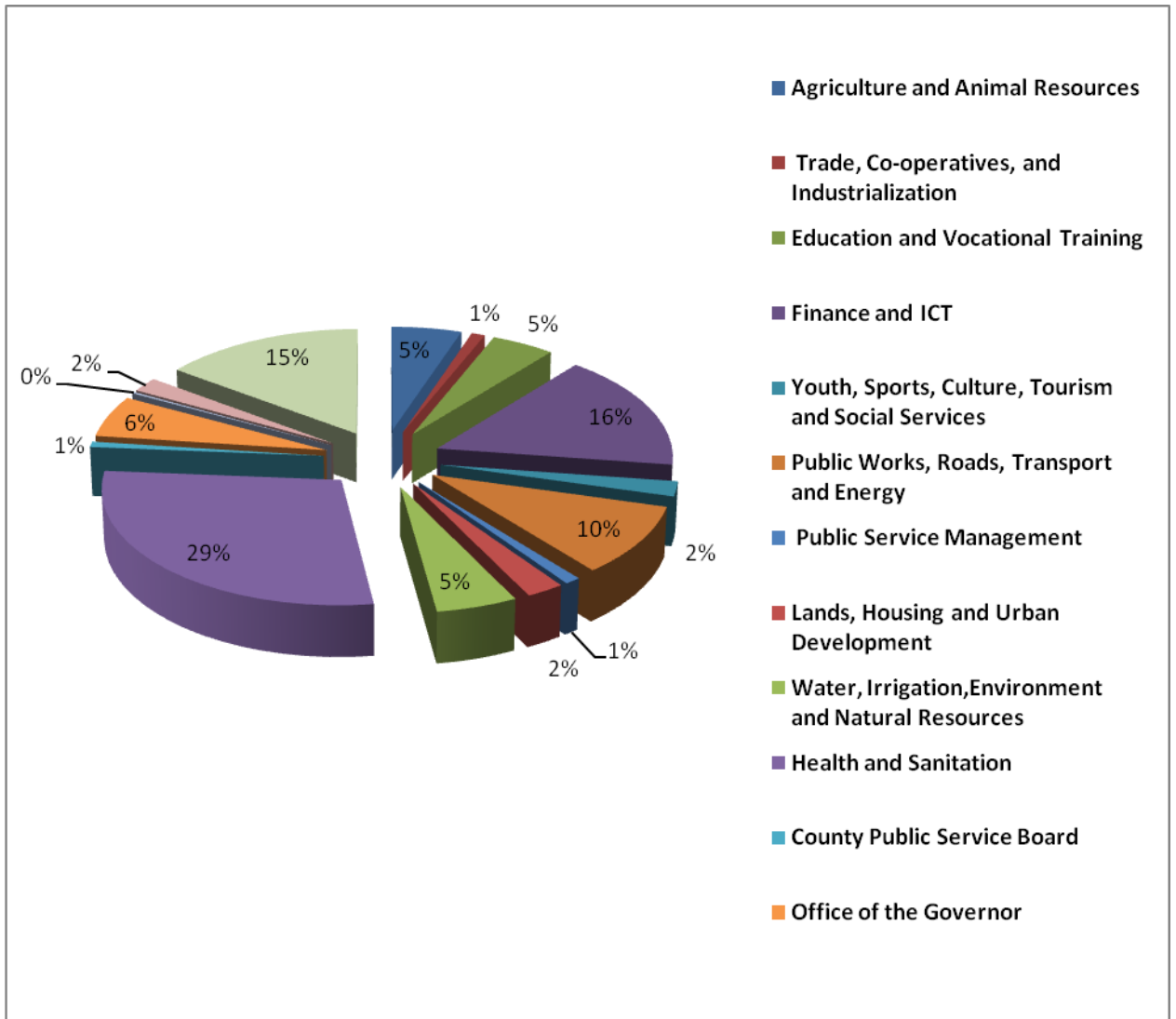
20. The total county allocation was Ksh. 7.449 B out of which Ksh. 2.389 B was development allocation, Ksh. 2.386 B was operation and maintenance allocation and Ksh. 2.673 B was Personnel Emolument. The department of Health and Sanitation had the highest allocation at 24.68 % most of which covered the employee compensation. This was followed by the Assembly at 14.6%. Finance Economic Planning & ICT received 13.48%.

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

Departmental	Employee Compensation	O&M	Total Recurrent	Percentage Share of Total Recurrent	Development.	Percentage Share of Total Development.	Total Actual Expenditure
Agriculture and Animal Resources	194.99	36.71	231.7	5	76.47	6	308.17
Trade, Co-operatives, and Industrialization	35.34	15.66	50.99	1	8.28	1	59.27
Education and Vocational Training	171.18	21.34	192.53	4	86.13	7	278.66
Finance, Economic Planning and ICT	286.24	656.38	942.62	20	33.94	3	976.56
Youth, Sports, Culture, Tourism and Social Services	35.66	49.32	84.98	2	39.98	3	124.97
Public Works, Roads, Transport and Energy	60.54	31.8	92.34	2	492.76	39	585.1
Public Service Management	34.64	25.37	60.01	1	-	-	60.01
Lands, Housing and Urban Development	40.59	58.68	99.28	2	44.88	4	144.16
Water, Irrigation, Environment and Natural Resources	65.87	40.84	106.71	2	200.91	16	307.63
Health and Sanitation	1160.49	368.8	1529.29	33	164.59	13	1693.88
County Public Service Board	30.91	14.99	45.89	1	-	-	45.89
Office of the Governor	131.81	164.27	296.08	6	52.24	4	348.32
Office of the Deputy Governor	-	13.08	13.08	-	-	-	13.08
County Secretary	69.43	51.9	121.34	3	-	-	121.34
County Assembly	331	499.9	830.9	18	53.8	4	884.7
Total	2648.69	2049.06	4697.75	100	1253.99	100	5951.74

Source: County Departments and County Assembly

Figure 3: Analysis of Approved Budget Expenditure by Departments



Source: County Departments and County Assembly

21. The total expenditure for county was Ksh 5.952 Billion against the approved budget of Ksh 7.449 Billion. This comprised of executive expenditure of Ksh 5.067 Billion and county assembly expenditure of Ksh 884.7 Million. Total recurrent expenditure was Ksh. 4.697 Billion against an approved budget of Ksh. 5.059 Billion while the development expenditure was Ksh. 1.253 Billion against an approved budget of Ksh. 2.389 Billion. The ratio of the actual expenditure to budgeted cost was 79.9%.
22. The Department of Health & Sanitation, Public Works Roads, Transport & Energy, Finance Economic Planning & ICT, and County Assembly accounted for the highest expenditure at 46%, 41%, 23% and 22% of the total County expenditure respectively.
23. On development budget the department of Public works, Roads Transport and Energy accounted for the largest expenditure at 39% followed by Water, Environment and Natural Resources at 16%. Health and sanitation comprised 13% of the development expenditure.

24. On recurrent budget, the department of Health and Sanitation accounted for the largest expenditure of the total recurrent expenditure at 33% followed by Finance & ICT at 20%. The County Assembly accounted 18% of the recurrent expenditure.

Table 7: Analysis of Personnel Emolument Expenditure by all Departments

No.	Departmental Vote Title	FY 2017/2018			
		Budgetary Allocation (Ksh. Millions)	Actual Expenditure (Ksh. Millions)	Variation	Absorption %
1	Agriculture and Animal Resources	195.71	194.99	(0.72)	99.63
2	Trade, Co-operatives, and Industrialization	36.09	35.34	(0.75)	97.92
3	Education and Vocational Training	172.13	171.18	(0.95)	99.45
4	Finance, Economic Planning and ICT	289.53	286.24	(3.30)	98.86
5	Community Development, Culture, Sports and Social Services	36.20	35.66	(0.55)	98.49
6	Public Works, Roads, Transport and Energy	62.10	60.54	(1.57)	97.48
7	Public Service Management	35.07	34.64	(0.43)	98.77
8	Lands, Housing and Urban Development	42.19	40.59	(1.59)	96.23
9	Water, Environment and Natural Resources	66.91	65.87	(1.04)	98.45
10	Health and Sanitation	1162.10	1160.49	(1.61)	99.86
11	County Public Service Board	31.27	30.91	(0.36)	98.85
12	Office of the Governor	132.50	131.81	(0.68)	99.48
13	Office of the Deputy Governor	0.00	0.00	-	-
14	County Secretary	71.20	69.43	(1.77)	97.51
15	County Assembly	340.07	331.00	(9)	97.33
	TOTAL	2673.07	2648.69	(24.377981)	99.09

Source: County Departments and County Assembly

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

No.	Departmental Vote Title	FY 2017/2018			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	45.74	36.46	(9)	79.72
2	Trade, Co-operatives, and Industrialization	20.19	15.66	(5)	77.56
3	Education and Vocational Training	185.93	21.34	(165)	11.48
4	Finance, Economic Planning and ICT	680.34	656.38	(24)	96.48
5	Community Development, Culture, Sports and Social Services	55.22	49.32	(6)	89.32
6	Public Works, Roads, Transport and Energy	34.81	31.80	(3)	91.36
7	Public Service Management	26.44	25.37	(1)	95.97
8	Lands, Housing and Urban Development	64.59	58.68	(6)	90.85
9	Water, Environment and Natural Resources	44.36	40.84	(4)	92.06
10	Health and Sanitation	382.70	368.80	(14)	96.37
11	County Public Service Board	28.23	14.99	(13)	53.08
12	Office of the Governor	173.43	164.27	(9)	94.72
13	Office of the Deputy Governor	30.33	13.08	(17)	43.13
14	County Secretary	47.68	51.90	4	108.86
15	County Assembly	566.56	499.90	(67)	88.23
15	Total Voted Expenditure	2386.55	2048.82	(338)	85.85

Source: County Departments and County Assembly

25. The County Secretary exceeded the expected expenditure by 8.86%

Table 9: Analysis of Development Expenditure by all Departments

No.	Departmental Vote Title	FY 2017/2018			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	162.24	76.47	(85.77)	47.13
2	Trade, Co-operatives, and Industrialization	135.68	8.28	(127.40)	6.10
3	Education and Vocational Training	247.95	86.13	(161.82)	34.74
4	Finance, Economic Planning and ICT	33.94	33.94	-	100
5	Community Development, Culture, Sports and Social Services	68.34	39.98	(28.35)	58.51
6	Public Works, Roads, Transport and Energy	860.38	492.76	(367.61)	57.27%
7	Public Service Management	0.00	0.00	-	-
8	Lands, Housing and Urban Development	150.19	44.88	(105.31)	29.88
9	Water, Environment and Natural Resources	201.80	200.91	(0.89)	99.56
10	Health and Sanitation	293.57	164.59	(128.98)	56.06
11	County Public Service Board	0.00	0.00	-	-
12	Office of the Governor	52.40	52.24	(0.17)	99.68
13	Office of the Deputy Governor	0.00	0.00	-	-
14	County Secretary	0.00	0.00	-	-
15	County Assembly	182.90	53.80	(129.10)	29.41
	Total Voted Expenditure	2389.41	1253.99	(1,135.41)	52.48

Source: County Departments and County Assembly

26. The total absorption of development budget was 52.48%. Department of Finance, Economic Planning & ICT, Water, Irrigation, Environment and Natural Resources and Office of the Governor utilized over 90% of their budgets. Low performers in this

classification were Trade, Co-operatives, and Industrialization, Lands, Housing and Urban Development and the County Assembly at 6.1%, 29.88 and 29.41% respectively.

Emerging Challenges

- Shortfall in revenue collection
- Concerns of pending payments related to supply of goods and services at the close of the financial year.

27. In a bid to address the above challenges the county has continue to strengthen automation of revenues and capacity building.

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

Recent Economic Developments

28. According to IMF, World Economic growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies and continued strong growth in emerging economies.
29. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal policy especially in the United States. In advanced economies, growth is expected to remain at 2.4 percent in 2017 and 2018
30. Growth in emerging market and developing economies is expected to increase further from 4.7 percent in 2017 to 4.9 percent in 2018 and 5.1 percent in 2019 reflecting improved prospects for commodity exporters after three years of very weak economic activity.
31. Similarly, growth in Sub-Saharan Africa is projected to pick up to 3.4 percent in 2018 from 2.8 percent in 2017, albeit with variations across the region. At the sub region, the East African Community economies continue to record relatively higher economic growth supported by a stable macroeconomic environment, on-going infrastructure investments and strong private consumption.
32. Kenya is one of the fastest growing economies in Sub-Saharan Africa. The economic expansion has been boosted by a stable macroeconomic environment, rebound in tourism, strong remittance inflows and a government led infrastructure development initiative.
33. The Kenyan economy is on a recovery path and is projected to recover to 6.0 percent in 2018, an upward revision from the earlier projection of 5.8 percent in the 2018 Budget Policy Statement. This strong growth momentum is reflected in the strong growth of 5.7 percent in quarter one of 2018 compared to a growth of 4.8 percent in the same quarter in 2017.
34. The outlook is supported by a pickup in agricultural and manufacturing activities due to improved weather conditions as well as the stable macroeconomic environment, ongoing public infrastructural investments and regain in business and consumer confidence following political stability in the country.
35. The economy continues to register macroeconomic stability with low and stable interest rates and competitive exchange rate to support exports. The overall year on year inflation

fell to 4.0 percent in August 2018 from 8.0 percent in August 2017, thereby remaining within the 5.0 percent medium term target set by Government.

- 36.** The economy remained resilient in 2017 and grew by 4.9 percent compared with a revised growth of 5.9 percent in 2016, supported by the strong performance in the non-agricultural sector relative to the decline in the agricultural sector. In the first quarter of 2018, the economy recovered and grew by 5.7 percent compared to a growth of 4.8 percent in the same quarter in 2017

Macro-Economic Environment

- 37.** The Global economic activity has continued to firm up with output strengthening by 3.7 percent in 2017 from 3.2 percent in 2016. This is attributed to improvements in investment, trade, and industrial production, coupled with strengthening business and consumer confidence. This growth momentum is expected to reach 3.9 percent in 2018 and 2019, reflecting improving domestic demand in advanced economies, accommodative financial conditions and improved performance in other emerging market economies.
- 38.** The East African Community economies continue to record relatively higher economic growth supported by a stable macroeconomic environment, on-going infrastructure investments and strong private consumption.
- 39.** Macro-economic factors such as inflation fell to 4.0 percent in August 2018 from 8.0 percent in August 2017, thereby remaining within the 5.0 percent medium term target set by Government. This decline reflected lower prices of key food items. However, energy prices continued to exert upward pressure on overall inflation due to higher fuel and electricity prices. In the twelve month to August 2018, the average annual inflation rate was at 4.7 percent compared to 8.3 percent in the same period in 2017.
- 40.** The Kenya Shilling exchange rate remained broadly stable and competitive against major international currencies. Against the dollar, the exchange rate strengthened to Kshs. 100.6 in August 2018 from Kshs 103.6 in August 2017.
- 41.** The economic outlook is supported by continued strengthening of the global economy, a pickup in agricultural and manufacturing activities due to improved weather conditions as well as the stable macroeconomic environment, ongoing public infrastructural investments and regain in business and consumer confidence following political stability in the country. Given the above developments the growth outlook for 2018 has been revised upward to 6.0 percent from the 5.8 percent as earlier projected in the 2018 Budget Policy Statement (BPS).
- 42.** Going forward in terms of fiscal years, the economic growth is projected at 6.2 percent in the FY 2019/20 and 6.9 percent over the medium term due to investments in strategic

areas under the “Big Four” plan, namely: increasing the share of manufacturing sector to GDP to 15 percent by 2022; ensuring all citizens enjoy food security and improved nutrition by 2022; expanding universal health coverage; and constructing at least five hundred thousand (500,000) affordable housing units by 2022.

- 43.** In preparation of the FY 2018/19 Budget Estimates and the medium term, the County treasury did take into consideration the key programmes in the departments that impact on the above Big Four National Agenda. Further, the County was ranked by World Bank among the best performers on compliance with Public Financial Management Act requirements and practices. The county therefore received an award of Kshs. 553 Million Kenya Devolution Support Grant Fund which it has budgeted to implement the Big Four Agenda.
- 44.** Despite making notable economic improvements, Kenya continues to face the following challenges that hinder countrywide development; mismanagement and embezzlement of public resources, poverty, inequality, climate change, and vulnerability of the economy to internal and external shocks.
- 45.** According to World Bank, going forward, prudent macroeconomic policies will help safeguard Kenya’s robust economic performance, in particular fiscal consolidation consistent with the Medium Term Fiscal Framework. Fiscal consolidation needs to be implemented in such a way so as not to compromise the development spending needed to unlock the country’s productive capacity. This will require adjustments on recurrent spending and improvements on domestic resource mobilization.
- 46.** During the period under review, Busia County experienced improved fiscal performance. This improvement was compelled by investments in Agriculture, Health, Education and infrastructure.
- 47.** The county observed strict fiscal discipline with major emphasis placed on development programmes aimed at improving the livelihoods of the residents. Trading activities improved significantly due to enactment of favourable business policies; additionally there was increased budgetary allocation to devolved functions especially agriculture and health.
- 48.** The county government is committed to capitalizing on approaches that generate supporting business environment for private sector contribution to the county’s economic growth; investing in improvement of physical infrastructure in health, Agriculture education and public works.
- 49.** However; during the period under review, the county did experience a number of challenges. These include; political instability caused by prolonged electioneering period that affected trading and business activities, unpredictable weather conditions affecting

agricultural production and delayed disbursement of funds thus affecting development programmes.

50. The county government will continue to invest in strategies that seek to create enabling environment for business and private sector participation in County Economic growth and development; Development of County physical and social infrastructure facilities including feeder roads and water to stimulate growth; Promotion of health services through investing in quality and affordable health services; Promotion of value addition for agricultural produce, food security and environmental conservation; Promotion of equitable social economic development for county stability; Enhancing governance, transparency and accountability in the delivery of public goods and service by promoting participation of the people in governance as envisaged in the Constitution of Kenya 2010.

Analysis of Expenditure by Departments

51. This section presents an analysis of the two arms of county government based on the actual expenditure for the financial year 2017/2018 in comparison to the approved budget.

County Executive Service

52. The Executive authority of the county is vested in, and is exercised by the County Executive committee. Article 183 of the constitution provides the functions of the County Executive Committee which includes: implementing national and county legislation as well as managing the functions of the county administration and its departments. Further, Sub- article 3 requires the County Executive to provide comprehensive reports on a regular basis to the county assembly on matters relating to the County.
53. In the FY 2017/2018, County Executive allocation decreased from Ksh. 6.81 Billion in the FY 2016/2017 to Ksh.6.359 Billion representing 85.37% of the total budget for the year. The actual expenditure for the period July 2017 to June 2018 amounted to Ksh. 5.952 Billion representing an absorption rate of 79.90%.

County Assembly

54. The legislative authority of the county is vested in, and exercised by the County Assembly. The roles of the county assembly have been highlighted in Section 8 of the County Government Act 2012, which includes among others; approval of the county budgets in accordance with Article 207 of the constitution, approval of borrowing by the County Government in accordance with Article 212 of the Constitution, approval of county

development plans and to perform their legislative and oversight roles as set out under Article 185 of the Constitution.

55. The County Government budget allocation decreased from Ksh.7.5 Billion in FY 2016/2017 to Ksh. 7.449 Billion in the FY 2017/2018, out of which the County assembly was allocated Ksh. 1.09 Billion or 14.6 % of the total budget. During the period under review, the County assembly spent Ksh. 884.7 M representing absorption rate of 81.20%.

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

Budget Allocation (Mil)			Actual Expenditure (Mil)	
Total	County Assembly	County Executive	County Assembly	County Executive
7,449.02	1089.5	6359.0	884.7	5067.0
	15%	85%	14.86%	85.14%

Figure 4: Allocations for the two arms of government

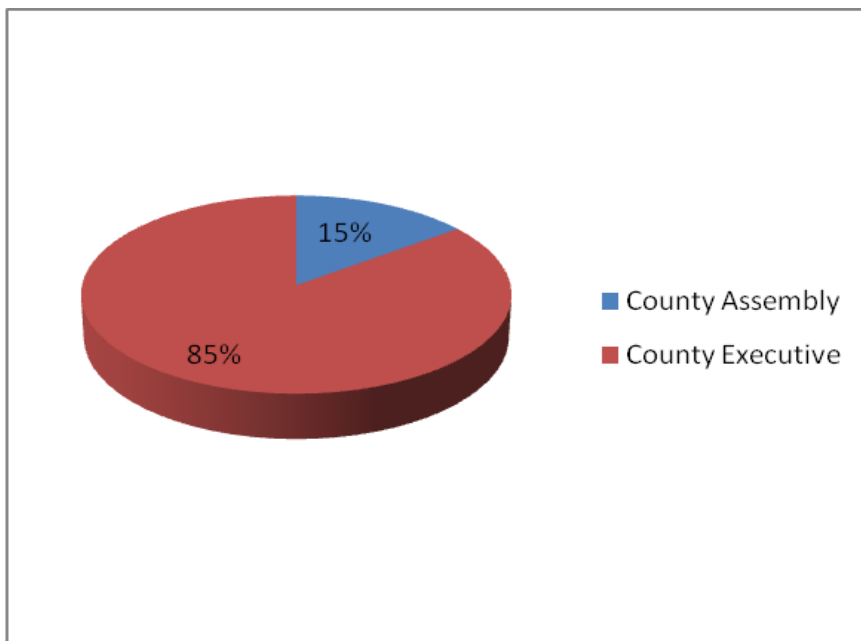
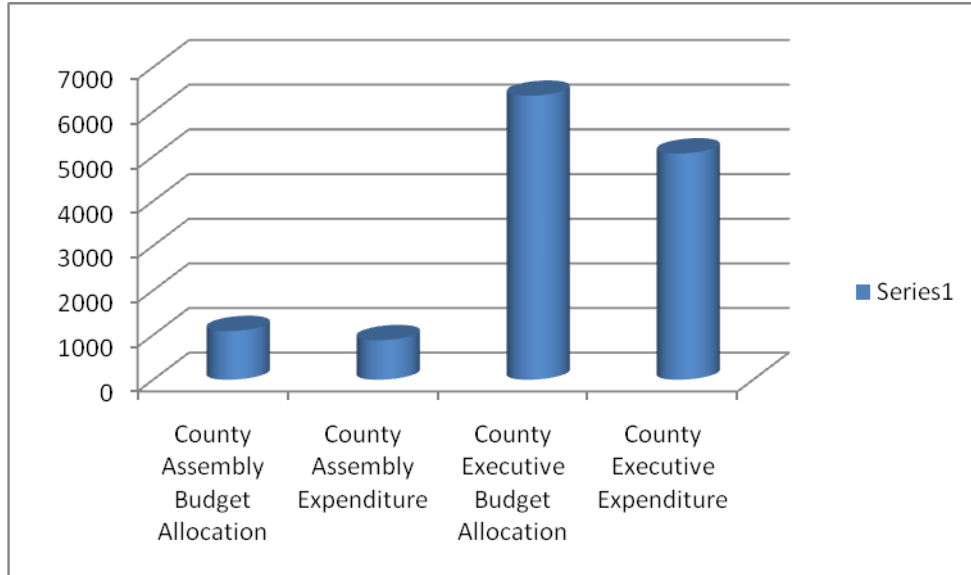


Figure 5: Percentage Absorption against Allocation for the two arms of government



ANALYSIS OF EXPENDITURE PER DEPARTMENT

1. Agriculture and Animal Resources

56. The department's vision is to be a Leading County in Food security and sufficiency for sustained livelihoods. This will be realized in an effort to improve the livelihoods of Busia County residents through the promotion of competitive agriculture, provision of support services while ensuring a sustainable natural resource base.
57. The department of Agriculture and Animal Resources is the main accelerator for the County's economic growth and critical for attainment of the county's economic growth as prioritized under the County Integrated Development Plan (CIDP). It consists of four directorates namely: Agriculture, Livestock Production, Veterinary and Fisheries
58. The department plays a key role in the overall socio-economic development and transformation of Busia County through promotion of various agricultural technologies. It has also continued to contribute immensely in the improvement of incomes and livelihoods of the people of Busia.
59. In Agriculture, the county under the mechanization programme reduced the cost of land preparation by 50% from an average of Kshs 4000 acre, increased the total arrearage of land under cultivation by 5% to an average of 25%. To reduce the post-harvest loses; the county government distributed 4,000 hermetic bags resulting in close to 30% reduction in grain loss.
60. As a food security intervention, the department reached out to over 8,000 vulnerable farmers with fertilizer and maize seed, and distributed over 100,000 tissue culture bananas to farmers spread across the county under its input access programme that has considerably strengthened the food security status of the County, reducing the food poverty of the county by 5% from previous average of 40%.
61. In the livestock production directorate the department procured 7 shredders and distributed to the seven sub-counties to enhance ration formulation and fodder conservation. Pasture and fodder establishment has also been enhanced. 20 acres are now under improved pasture and fodder.
62. To improve dairy productivity, 70 heifers were procured and distributed to groups in 35 wards. To address the vulnerable groups, dairy goats were introduced in the county. A total of 1200 dairy goats are available with an average production of 2litres per day, which is consumed locally. Six groups in each ward also benefited from the local poultry structure construction materials and birds. On office environment, the chief officer's office floor, roof and wall were repaired.
63. In the livestock production and veterinary services subsector, as a cost of primary production reduction measure the county government has adopted AI Services provision

arrangements that has seen a 70% drop in cost of accessing AI services from a high of Kshs 3500 per cow to Kshs 1000.

- 64.** To strengthen extension service in the subsector additional 14 AI service providers were trained and certified raising the number of AI service providers to at least 4 per sub-county, various veterinary drugs were procured that facilitated vaccination interventions by the county government against major diseases to cushion vulnerable farmers against loss of livestock and to this extent.
- 65.** So far, 1,497,000 local poultry, 15,000 livestock and 17,000 dogs have been vaccinated against various diseases. To control tsetse fly and help contain trypanosomiasis disease the county procured and issued Acaricides to various crush pens around the county.
- 66.** In the fisheries sub sector, under the value addition Programme the government has initiated establishment of a farmed fish filleting plant at the ATC and continued upgrading the Wakhungu training and fish breeding center with construction of a 21 Capacity hostel facility. The directorate also supported 840 farmers with 800,000 fingerlings and 240 tons of feeds.
- 67.** The government also as a conservation measure and under the provision of alternative livelihood program established 80 tilapia fish cage farms in Busia waters of Lake Victoria stocked with 160,000 fingerlings to support the over 3,000 fishermen through the 21 Beach Management Units.
- 68.** To increase the farmed fish capacity of the county; 7 centers of excellence of 7 pounds each were established, stocked and supplied with one production season supply of feeds. These interventions have raised annual on farm production capacity of the county by 10% to now stand at approximately 1,900 tons of table size Tilapia and generated an annual input demand potential of 6 million fingerlings and 2,900 tons of fish feeds.
- 69.** Under the cross cutting strategic agenda of establishing enabling policies, legislations, guidelines, procedures & processes and support services, the government developed subsector based County legislations to give effect to the devolved functions and are at various stages of legislation development in the county assembly. These legislations include the (1) The Fisheries and Aquaculture bill that has been published and awaits public hearing (2) The Agriculture Development Bill (3) The Livestock Production Bill (3) The Veterinary services Bill and (4) The Abature Bill . The final enactment of these bills will strengthen the counties institutional capacity.
- 70.** Despite the improvement in service delivery, the department experienced myriad of challenges. The outbreak of army worm and adverse weather condition greatly affected crop productivity leading to reduced yields by about 40% of the yield expected. Other non-

rain dependent programmes progressed well as planned. The macro- economic environment was favourable to the agricultural value chains development.

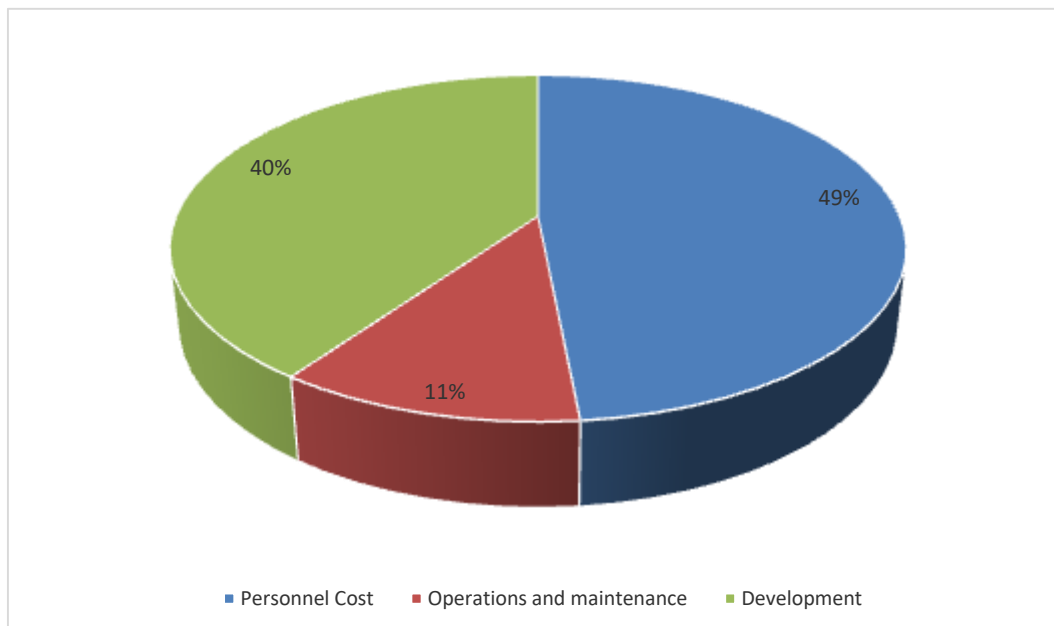
71. In the FY 2018/19 and the medium term, the department will continue implementing its programmes underlying the four directorates. They include; Crop production and management, Agricultural training and extension services, fisheries and aquaculture resource development, livestock production development, veterinary health services among other objectives.

72. The department was allocated Ksh. 403.692 M. This constituted 5.42 % of the total budget. The budget for the department was divided as follows.

Table 11: Allocation Analysis by Economic Classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	195.71	48%
2	Operations and maintenance	45.74	11%
3	Development	162.242	40%
	Total	403.692	100%

Figure 6: Agriculture analysis of the Budget

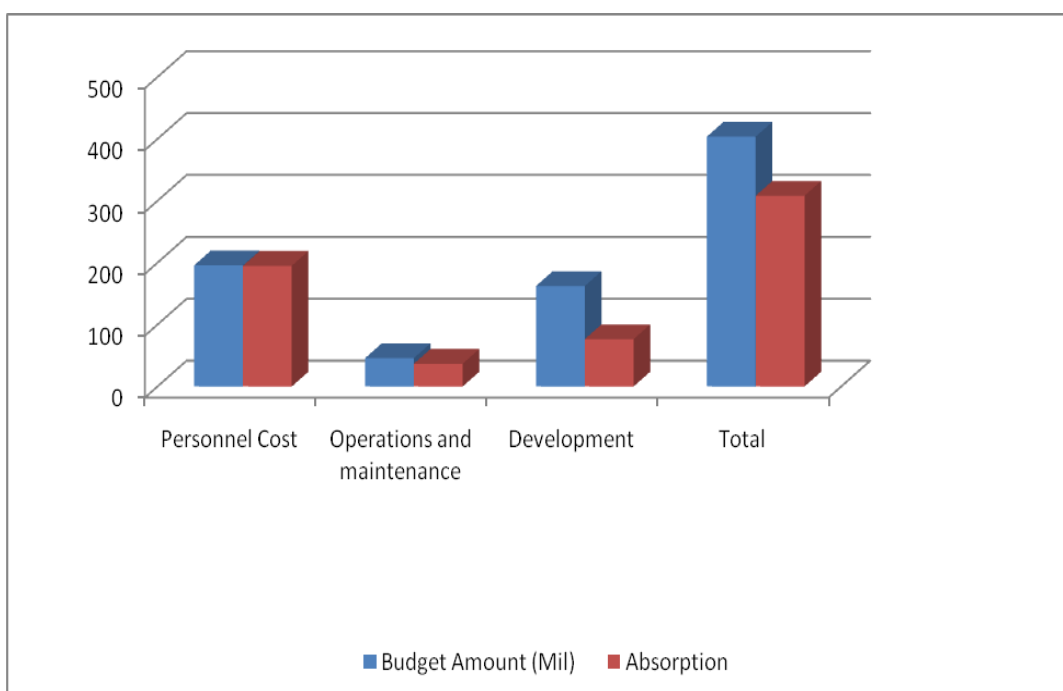


73. The Department set aside 40% of their total allocation towards development while 49% went towards Personnel cost (Compensation to employees). Operations and maintenance got an allocation of 11 %.

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

SNO		Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	195.71	194.99	100
2	Operations and maintenance	45.74	36.71	80
3	Development	162.242	76.47	47
	Total	403.692	308.17	76

Graph 3: Agriculture absorption analysis



74. The total absorption was Ksh. 308.17 M representing 76% of the total departmental allocation. The Personnel cost was 100% expended. Development vote absorption was Ksh 76.4M or 47 % of the development budget.

2. Department of Trade, Cooperatives and Industrialization

75. The department envisions being a leading department in the promotion of Trade, Cooperative movement and investment. This will be made possible through commitment to its mission which is to provide high quality services through efficient and effective coordination, formulation, and implementation of policies and programs and create an enabling environment that encourages investment while exploiting the cooperative movement. It consists of the following four directorates namely: Trade, Cooperatives,

Cooperative Enterprise Development Fund, and Weights and Measures which ensures its effective and efficient service delivery.

- 76.** The overall objective of the directorate of trade is to promote self-reliance amongst the citizens of Busia County, enhancement of Business, job and wealth creation through diversification, innovation, value addition, information sharing, market linkages and trade infrastructural support.
- 77.** Through the directorate of trade, the department oversees and promotes cross-border trade through cross-border committees that were formed after establishment of Cross Border Traders Association in FY 2016/17. In the year under review, on 24th February 2018, a greater milestone was made by the county through the department. This was the commissioning of the Busia one Border Post by His Excellency the president of Kenya. This will ensure seamless movement of goods and services across the international border and across inter -county borders. This will save on time and cost of doing business and foster integration among nations.
- 78.** The directorate further developed The Busia County Trade Development Revolving Fund Act 2017 to promote development of small and micro enterprises and to set up an institutional framework for coordinating loan disbursements and will be rolled out in FY 2018/19. It has also developed and enacted into law the Busia County trade development bill that provides a mechanism for the imposition of certain taxes, charges, fees and for the grant of trade and related licenses to provide for promotion, development and regulation of trade in the county. . This will enhance the revenue collected in the various sources.
- 79.** Ongoing works on Fresh produce markets were undertaken to enhance hygienic trade in perishable goods among the citizens. Construction of Malaba Amoni market was initiated and is expected to boost revenue levels for the county.
- 80.** In FY 2018/19, the department will continue to rehabilitate these markets to maintain a conducive environment for business activities. Further, the department will spearhead construction of market stalls across the various wards.
- 81.** The directorate of cooperative development spearheads the revamping of cooperatives and registration of new ones. It also enhances cooperative movement and adds value to local produce for higher returns.
- 82.** Under this directorate, The Busia Cooperative Enterprise Fund provides affordable credit to cooperatives for group projects or for onward lending hence increasing investment by the beneficiaries who contribute significantly to the economic growth of the county. It also facilitates capacity building of the cooperatives to effectively discharge their mandate.
- 83.** The instituted Trade Development Revolving Fund is set to provide soft loans to individual traders. The fund grants low interest loans to cooperative societies with a view

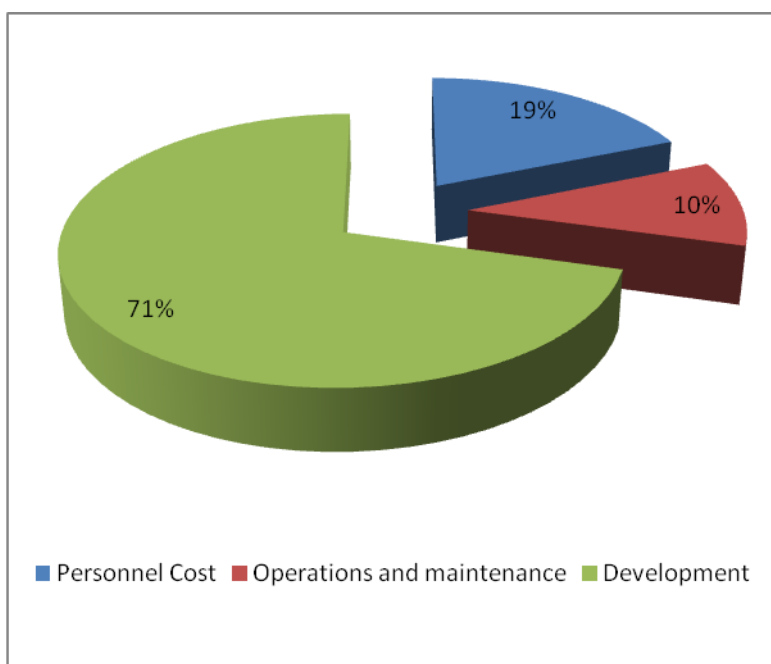
to scaling up their activities. Strict evaluation of eligible cooperatives is carried out before funds are disbursed. Strict monitoring and evaluation of the use of the funds is carried out throughout the repayment period.

- 84.** This directorate of weights and measures is charged with the mandate of ensuring fair trade practices are kept by Calibrating weighing scales and fuel pumps at all outlets and elimination of counterfeit goods within the county. In review year, the directorate did acquire calibration equipment which will ensure attainment of its objective. Some of the challenges faced by the directorate include; lack of facilitation for biannual verification of standards, inadequate resource allocation and lack of facilitation for officers on legal metrology training.
- 85.** The department was allocated Ksh. 191.96 M. This constituted 2.58 % of the total budget. The budget for the department was divided as follows

Table 13: Trade, Co-operatives and Industrialization allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	36.09	19
2	Operations and maintenance	20.19	11
3	Development	135.68	71
	Total	191.96	100

Figure 7: Trade, Co-operatives and Industrialization allocation.

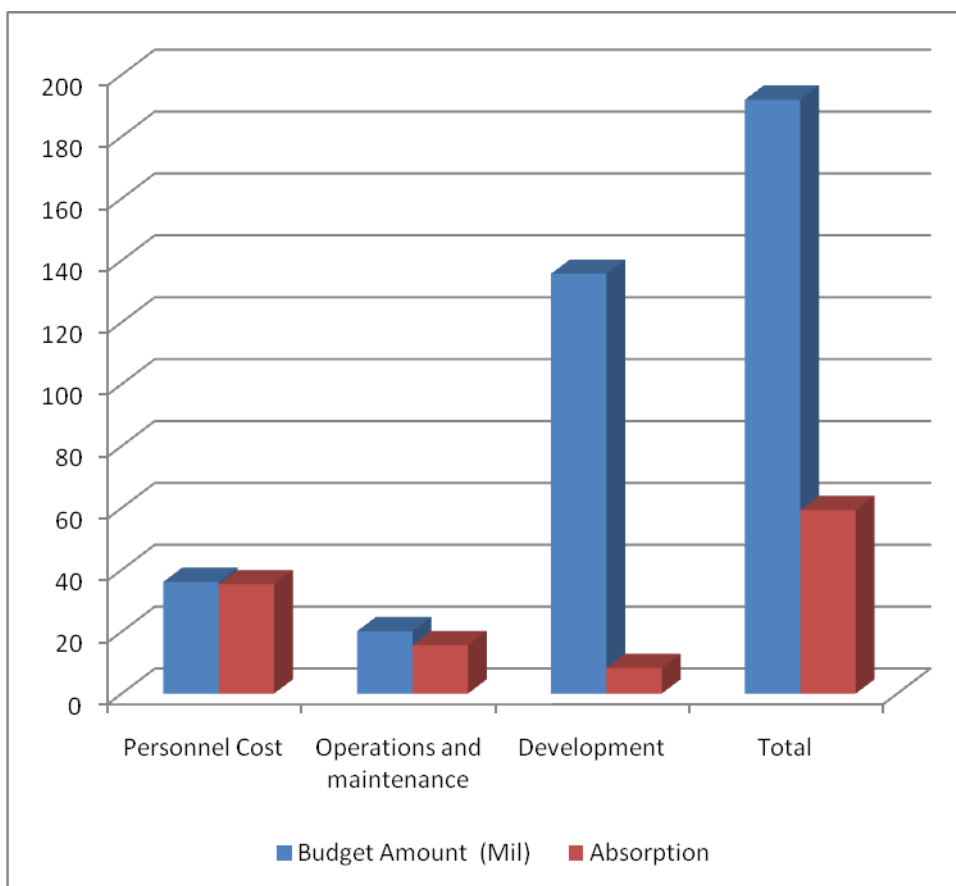


86. Development cost was the highest with an allocation of 71%. Personnel cost (Compensation to employees) had an allocation of 19% as the second ranked beneficiary. Operations and maintenance got the least allocation of 10 %.

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

SNO	Description	Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	36.09	35.34	98
2	Operations and maintenance	20.19	15.66	78
3	Development	135.68	8.28	6
	Total	191.96	59.28	31

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



87. The total absorption was Ksh. 59.27 M representing 31% of the total departmental budget. Development vote absorption was the lowest at only 6%. The department utilized the Personnel Emoluments at 98%.

3. Education and Vocational Training:

- 88.** The department comprises of two Sections; Early Childhood Education and Vocational Training.
- 89.** The department is envisaged to provide, promote and coordinate quality education and training, integration of science, technology, and innovation in sustainable socio-economic development process.
- 90.** The directorate of Early Childhood Development Education provides opportunities for children in pre – primary education to enhance their cognitive, social and spiritual, emotional and physical development. This enables them to prepare well for primary Education. The directorate is mandated to undertake Supervision of ECDE curriculum implementation, Assessing growth, monitoring and development in ECDE children, Collection of data for purposes of equitable distribution of resources, Capacity building for ECDE teachers, bettering the physical environment of the ECDE children through construction of classes and provision of outdoor play equipment.
- 91.** Under Early Childhood Development the department is focusing to enhance access, equity and quality services to children in the Early Childhood Development Centres. The department will strive to provide conducive learning environment for the young children age 3-5 years.
- 92.** The directorate of Vocational Training is critical towards the realization of Vision 2030 and SDGs as it strives to develop a sound skills base of the youth by increasing their accessibility to quality training and transfer of skills. The core mandates of the department is Management of Vocational Training Centres by implementation of policies, development of policy guidelines, rules and regulations, Implement programmes supported by various development partners, Supervision and Administration of management of Vocational Training Centres Staff, Quality and standards, Implement Quality Assurance and Standards (QAS) recommendations to Improve Service delivery, Promote ICT integration and Youth Innovations.
- 93.** The department embraces the fact that, the most disruptive consequences of the economic and ensuing national crisis has been the dramatic rise in unemployment across the Country. Vocational training plays a critical role in equipping Young people with the right skills to meet labour market needs, fuelling competitiveness while reducing unemployment. Skills development is increasingly becoming important in the drive to enhancing productivity, stimulating economic competitiveness and reducing poverty.
- 94.** The provision of quality and relevant training is critical in equipping our youth with skills necessary for industrialization and improving their livelihood. For this reason the

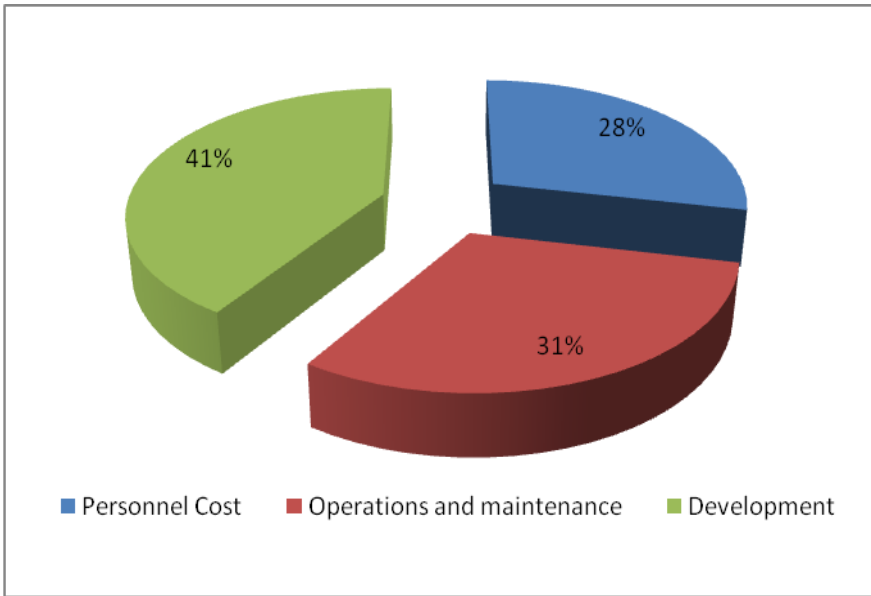
department will continue to focus on improving and expanding technical and Vocational Training in order to equip more youth with the relevant skills for the same.

95. Under the Busia County Education Revolving Scheme, the department will continue to support students in universities and middle level colleges through education loans to enable them continue with their education.
96. Towards realization of the departmental mandate, the directorate has successfully continued to improve the infrastructure of ECDE centres by concentrating on completion of ECDE classrooms initiated in the previous Financial Years. The strategy is to improve the ECDE learning environment by ensuring that all the 439 Public ECDE centres have modern classrooms and are fully equipped.
97. In addition to the infrastructure, the department also purchased and distributed 15,380 ECDE chairs to all the ECDE centres.
98. The department developed Busia County Education Support Scheme (Amendment) Act, 2018 to operationalize Busia County Education revolving scheme, County Bursary, scholarship and Vocational Training Centre Support programme.
99. The department has also continued to improve infrastructure in Vocational Training Centres by completing construction of classrooms at Onyunyur Vocational Training Centre and completion of refurbishing of Amagoro and Fencing of Angurai Vocational Training Centre respectively.
100. Capacity building of ECDE teachers on health and nutrition and Vocational Training Centers Managers and Board of Management on financial management and procurement process for the purposes of implementing Vocational Training Centres Support grant.
101. To ensure effective delivery of services, the department did also initiate the development of the Early Childhood Development Education bill, Vocational Training Bill and various Regulations which are in their final stages.
102. The department was allocated Ksh.606.02M. This constituted 8.14% of the total budget. The budget for the department was divided as follows.

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	172.13	28
2	Operations and maintenance	185.93	31
3	Development	247.96	41
	Total	606.02	100

Figure 8: Education and Vocational Training Allocation analysis

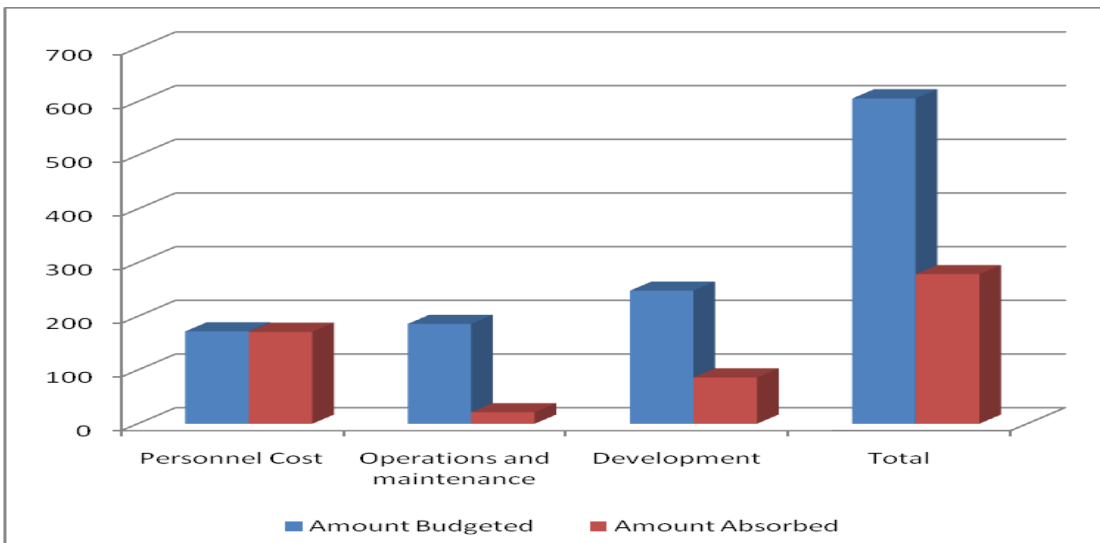


103. Development cost allocation was the highest with an allocation of 41%. Operations and maintenance came second with 31%. Personnel emoluments got the least allocation of 28%.

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

No	Description	Amount Budgeted	Amount Absorbed	%Age Against Allocation
1	Personnel Cost	172.13	171.18	99
2	Operations and maintenance	185.93	21.34	11
3	Development	247.96	86.13	35
	Total	606.02	278.65	46

Graph 5: Education and Vocational Training absorption analysis



4. Finance, Economic Planning & ICT

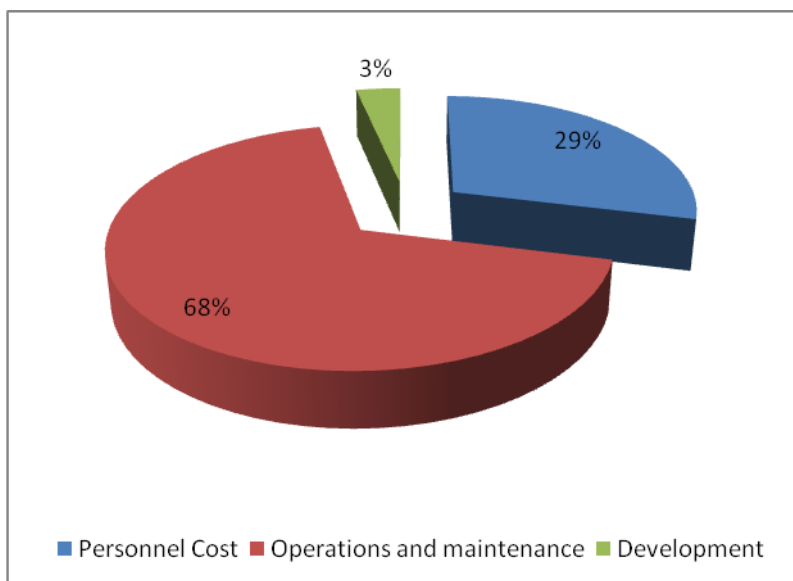
104. The department aims at propelling the county to be a Prosperous County Committed to Prudent Financial Management and Economic Planning by providing high quality financial, economic and advisory services through efficient and effective fiscal planning, resource mobilization, budget administration, coordination, formulation and implementation of policies and programs for accelerated, equitable and sustainable development for the citizens of Busia County.
105. The department consists of six directorates namely; Budget, Accounting Services, Revenue, Supply Chain Management, Audit and ICT each of which is mandated with vital responsibilities that ensures effective and efficient service delivery by the County Treasury. The department is mandated to enforce compliance on various regulations such as; Public Finance Management Act, 2012, County Government Regulations 2015 and the guidelines issued in management of public funds. The department is putting more focus on improving revenue collection in the county through completion of the remaining revenue automation centres and investing in installation of CCTV appliances for security purposes.
106. Budget directorate is mandated to prepare key planning and budget documents which include County Budget Review and Outlook Paper, County Fiscal Strategy Paper, County Annual and Revised Budgets, consolidate and prioritize areas for allocation of public resources and advising the County Treasury on Budget management. The directorate plays a vital role in monitoring the county development projects through a Monitoring and Evaluation unit so as to have the actual status of the projects funded by the county government.
107. The accounting services directorate advises the County government on all accounting matters. It ensures proper banking arrangements between the county government, Central Bank of Kenya and commercial banks. It also provides the link between county and national accounting standards bodies on matters relating to public sector financial reporting and management; and exchequer requisition to facilitate smooth operations of the county on programmes and projects.
108. Supply Chain Management directorate prepares the county annual procurement plan, develops procurement manual and policies for use by the county, ensures that the county procurement system complies with the Public Procurement and Disposal Act 2005 and Public Procurement and Disposal Regulation 2016. The directorate took an initiative of ensuring that the new mode of procurement procedures has been adopted by the vendors, suppliers, contractors and any other interested group.

- 109.** The internal audit evaluates and improves the effectiveness of governance, risk management and internal control processes, the directorate takes charge in advising the county government on financial and debt management strategies for the purpose of transparency and accountability.
- 110.** Revenue directorate is responsible for the County's revenue generation and resource mobilization. The directorate automated revenue collection points at Nambale, Matayos and Teso North and it looks forward to further automate the major revenue sources across the County. Despite the efforts to automate revenue collection, the actual revenue collected fell below the target due to relaxation in enforcement of existing legislation on applicable tax, fees and charges.
- 111.** ICT directorate promotes and ensures availability and maintenance of ICT equipment, facilitates internet connectivity within the County. The directorate saw key planning and other County documents are availed to the public through the county website
- 112.** During the fiscal year, the directorate initiated installation of structured network at Funyula, Nambale and Teso North Sub Counties.
- 113.** In addition the department through the directorate of ICT intends to undertake the following projects in the medium term so as to effectively and efficiently deliver its services to the public; Install structured cabling for the referral hospital and the remaining sub counties, GIS resource mapping for revenue automation, implementation of the second phase for the County ERP, Increase MPLS connectivity to sub counties, create a Sinology backup, install Biometric access and alarm system on key County Facilities , installation and configuration of Firewall for the prevention of cyber-attacks and other intrusions on County system, installation of CCTV system for security purposes at Busia County Referral Hospital and the County treasury and rolling out an integrated Revenue Collection and Management Systems
- 114.** The department was allocated a total amount of Ksh 1.00381 Billion during the financial year 2017/2018. This constituted 13.48% of the total budget of the County.

Table 17: Finance, Economic Planning & ICT Allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	289.53	29%
2	Operations and maintenance	680.34	68%
3	Development	33.943	3%
	Total	1003.813	100%

Figure 9: Finance, Economic Planning & ICT Allocation analysis

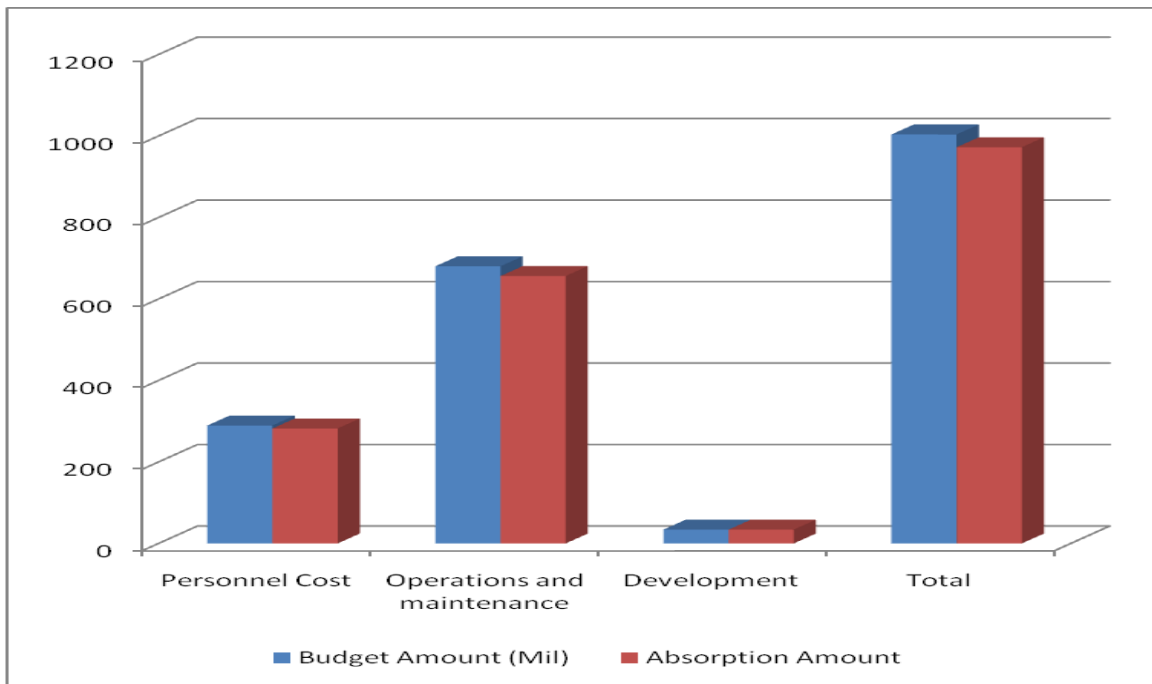


115. The Operations and maintenance cost allocation was the highest at 68.%, (bulk of which went to meet medical insurance for all staff and other insurance services of the county) of the total allocation to the department. Personnel cost (Compensation to employees) allocation was 29 % while Development was 3 %.

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

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	289.53	282.24	97
2	Operations and maintenance	680.34	656.38	96
3	Development	33.943	33.94	100
	Total	1003.81	972.56	97

Graph 6: Finance, Economic Planning & ICT absorption analysis.



116. Total departmental absorption was 97%. Development absorption cost was 100%. Operation and maintenance vote absorption was 96 % while Employee compensation was near 97 %.

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

117. The department envisages establishing a socially secure, self-driven and empowered Busia Community. This will be achieved through mobilization of Busia Community for sustainable social protection, talent nurturing, heritage preservation and creating equal opportunity for children ,youth ,women, People living with disabilities (PWDS), older persons and other vulnerable groups for holistic growth and development.

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

119. In the year under review, the department implemented various capacity building, empowerment and safety net programs which are key in breaking the cycle of poverty among the vulnerable members of the community who include: children, youth, women, people living with disability and the elderly. The department recognizes the fact that failure to address the needs for the above vulnerable groups will impact negatively on economic growth of the society. For instance if resources are insufficient for child care

and development, then the society shall have youth without constructive talent or skills necessary for the labor market or community development. If the youth are not productive, they will be irresponsible adults who will age without any investment or development. Broken families prone to violence emerge and this will majorly affect the women and children. The women become less empowered socially, economically and vulnerable to gender based violence. The children are affected and the cycle continues.

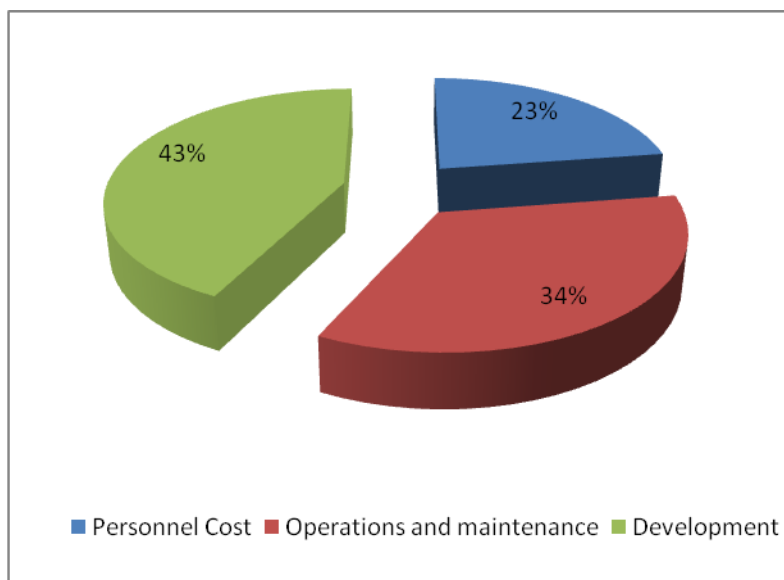
- 120.** Under Youth directorate, the youth were sensitized on health issues such as HIV/AIDS, crime, drugs and substance abuse. Entrepreneurship trainings were carried out to impart the youth with knowledge and skills on diversified investment opportunities
- 121.** Other area of achievement was operationalization of Busia Kitty Grant. This is vital in breaking the poverty cycle among the less fortunate members of society as the grant empowers them with the purchasing power to acquire the basic needs for their survival. The ward fund under the department through provision of grants and support to various youth and women groups, has contributed significantly to economic growth.
- 122.** The department realized its objective of sports promotion and development. It supported the county staff and seeing its participation and representation in the Kenya Inter County Sports and Cultural Association (KICOSCA). This nurtures talent and promotes integration among counties.
- 123.** The department's strategy to actualize its mandate has been quite holistic and participatory for instance the department mobilized all stakeholders and developed a comprehensive strategic plan that is currently been implemented.
- 124.** In spite of the above achievements, the department did experience challenges such as insufficient funds due to increasing incidents of poverty and vulnerability, irregular exchequer releases by the national government, long procurement processes/IFMIS functionality and delays on the part of contractors/service providers to complete their which impact negatively on development
- 125.** In the medium term, the department seeks to complete on-going infrastructural works undertaken by the department. This include; Completion and operationalization of County Child Protection centre at Mauko which is 35% complete, Construction, equipping and operationalization of community cultural centres at Kakapel, Nambale and Butula,; Construction of Busia County Library and establishment of Museum, operationalization of Bumbe,-Samia Cultural Centre, Mapping of tourism sites and beaches development. This will stimulate tourism performance.
- 126.** Tourism sector is among the key contributors to the Country's Gross Domestic product similarly will be transformative in the county's economic growth and development.

127. The department was allocated Ksh.159.77, this constituted 2.14% of the total budget. The budget for the department was divided as follows;

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	36.2	23
2	Operations and maintenance	55.22	35
3	Development	68.338	43
	Total	159.758	100

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

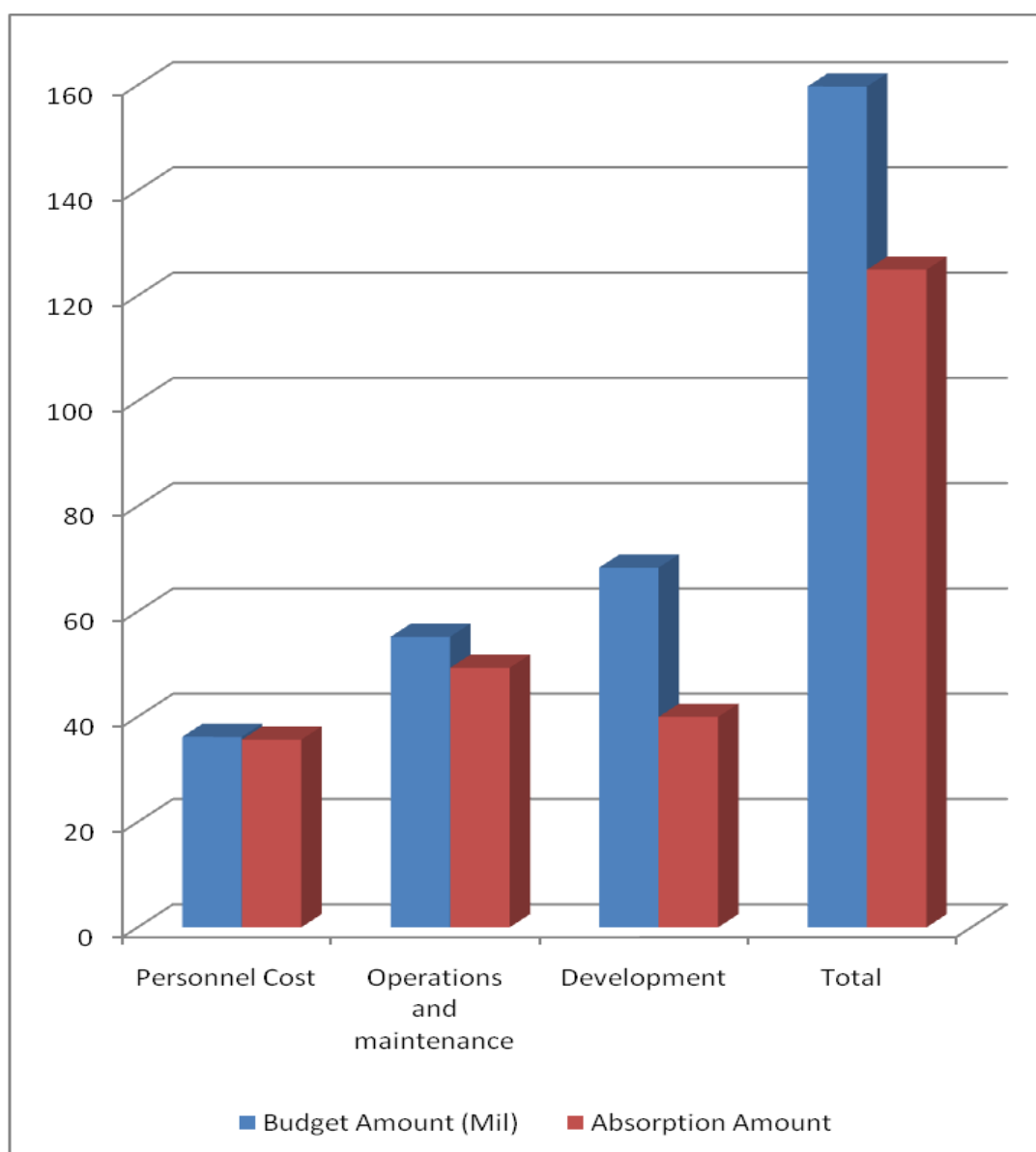


128. Development allocation was the highest at 43%, Personnel cost (Compensation to employees) at 23% and Operations & Maintenance at 34% allocation of the total departmental budget.

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

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	36.2	35.66	99
2	Operations and maintenance	55.22	49.32	89
3	Development	68.338	39.98	59
	Total	159.758	124.96	78

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



129. Personnel cost was utilized at 99% while 89% of Operations and Maintenance were absorbed. The development absorption stood at 78%.

6. Public Works, Roads, Transport and Energy

130. The department envisions to develop quality, reliable, sustainable and resilient infrastructure, and to provide access to safe affordable public transport systems. To achieve this, it seeks to expand public transport and build infrastructure which best suits all persons of the society hence special attention will be directed to the needs of women, children and people with disability through production of appropriate designs and increase investment.
131. The general mandate for the department is to provide an enabling and supportive environment for investment in the county and sustain standard road network and public infrastructure for sustainable development. It is made up of three directorates namely; Public Works, Roads, Transport and Energy.
132. Public works directorate is mandated to award and supervise construction works for county government buildings.
133. Directorate of roads and transport is mandated to construct, maintain and manage county road networks. It ensures implementation of policies on road works, quality standards, materials, mechanical and transport services for county roads. It is responsible for provision of equipment for development and maintenance of roads.
134. The county has a total road network of about 1600km out of which approximately 182km are tarmacked and requires periodic maintenance and the remaining 1418km of road network requires routine maintenance and installation of drainage structures.
135. In the year under review, the department implemented various roads and civil works among them are; 8.8km of roads were upgraded to bitumen standards in Busia and Malaba Towns, 169.4 Km of roads were maintained under Road Maintenance Fuel Levy Fund across the county including installation of drainage structures. The roads maintained under fuel levy fund were identified across the seven sub counties and they provide accessibility in a wider scope within the areas they serve. This has eased transportation and is expected to boost trading and investment activities that greatly rely on effective and efficient transport and infrastructure system.
136. Under construction of major drainage structures (bridges and box culverts), the department did not roll out any new projects as it focused on completion of ongoing works and clearance of pending bills of FY 2016/2017.
137. In an effort to ensure quality mechanical transport and plant services, the department maintained the county's roads construction equipment. Two dozers and three graders, one excavator, two tippers, two rollers, one prime mover, one shovel were repaired and

maintained. The equipment's are used to open up new roads, gravel and maintain roads in the entire county including handling emergency road works.

138. The directorate of energy is responsible for street lighting of major towns and maintenance of electrical installation across the county towns for the aim of improving security and embracing a 24 hour economy. Further it undertakes the rural electrification programme to enhance lighting in rural areas. 36 solar lights were maintained in Busia town and 22 in Malaba town in the year under review. Despite tremendous efforts attained, the department's performance was hindered by inadequate roads construction equipment compared to demands for machines and lack of policy for management of the same equipment.

139. In FY 2018/19 and the medium term, the department will endeavour to deliver effective and efficient transport and infrastructure system and to provide services to other departments in design, documentation and project implementation.

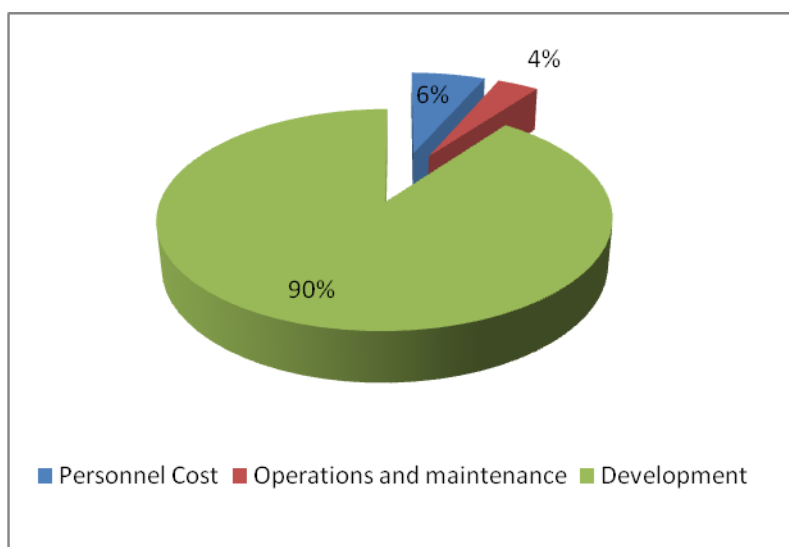
140. The department was allocated Ksh. 957.28. This constituted 12.85% of the total budget.

The budget for the department was divided as follows:

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	62.1	6
2	Operations and maintenance	34.81	4
3	Development	860.37	90
	Total	957.28	100

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

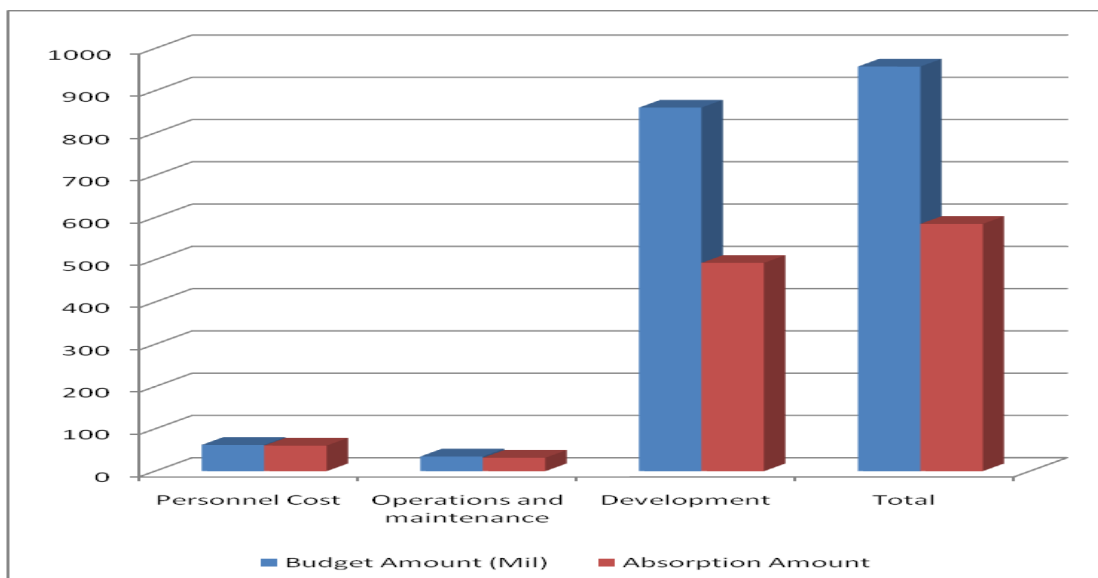


141. The development cost allocation was the highest at 90%. Personnel cost (Compensation to employees) was the second highest with a cost allocation of 6%. The Operations and Maintenance was the least beneficiary with 4 %.

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

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	62.1	60.54	97
2	Operations and maintenance	34.81	31.8	91
3	Development	860.37	492.76	57
	Total	957.28	585.1	61

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



142. The personnel cost vote recorded 97% absorption. Development vote absorbed 57% while O&M was utilized at 91%. Total departmental absorption was 61%.

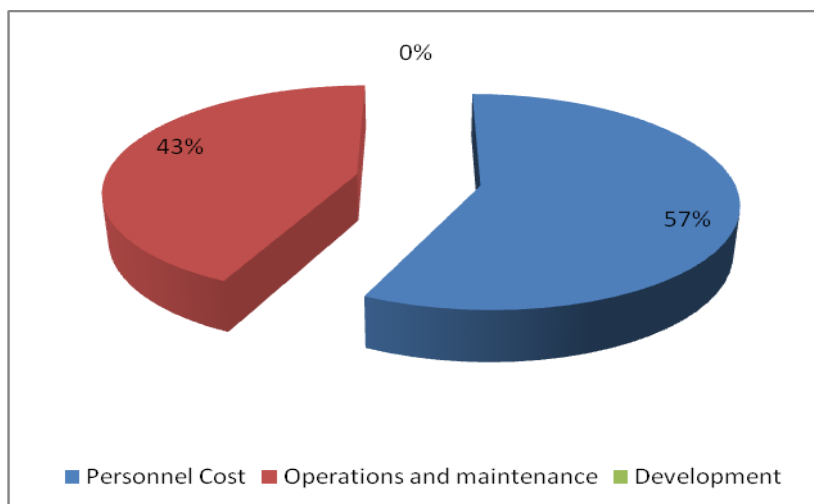
7. Public Service Management

- 143.** The department aims to be a benchmark for high performing, dynamic and ethical public service. This is to be achieved through facilitating a safe environment for an effective and productive work force that guarantees personal growth and sustainable development.
- 144.** The departments' responsibilities include;
- ✓ Formulation of Labour relations and Labour Laws complaint policies, employee's sensitization of the same, interpretation and implementation.
 - ✓ Identification of training and development gaps of employees and ensuring that the same are bridged.
 - ✓ Ensure adherence to Acts of parliament related to employment such as; Retirement Benefits Authority Act/NSSF ACT, The Employment Act, 2007, -The occupational Safety and Health Act, 2007, Work Injury Benefit Act, 2007 (WIBA, Industrial Training Act-Training levy.
- 145.** The department is also mandated to undertake; Employee Satisfaction Survey; This is necessary in order to enhance employee relations and hence avert costly disruption of work by employees through strikes, Good Records Management which is the back bone of county as it not only helps in informed decision making but also keeps track of the happenings of the county, Training Needs Assessment (TNA) Training that enhances employee development and capacity building.
- 146.** The department is mandated with spear heading performance contracting, records management and performance appraisal.
- 147.** The performance of the department during the previous financial years has been satisfactory. In the just concluded financial year, the following projects were implemented; development of service charter, training on performance management, gender and disability mainstreaming CARPS, development of Occupational Health and Safety Policy, Record Management Policy, Alcohol and Drug Abuse Policy, HIV and Aids Policy and Training and development of staff capacity.
- 148.** The department is spearheading the process of County ISO Certification to ensure that its processes procedures and documentation are of International Standards. It also seeks to digitize the County registry and information system. This will pave way for easy retrieval of documents and information.
- 149.** The department was allocated Ksh. 61.50 M. This constituted 0.83 % of the total budget. The budget for the department was divided as follows;

Table 23: Public Service Management allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	35.07	57
2	Operations and maintenance	26.44	43
	Total	61.51	100

Figure 12: Public Service Management allocation analysis

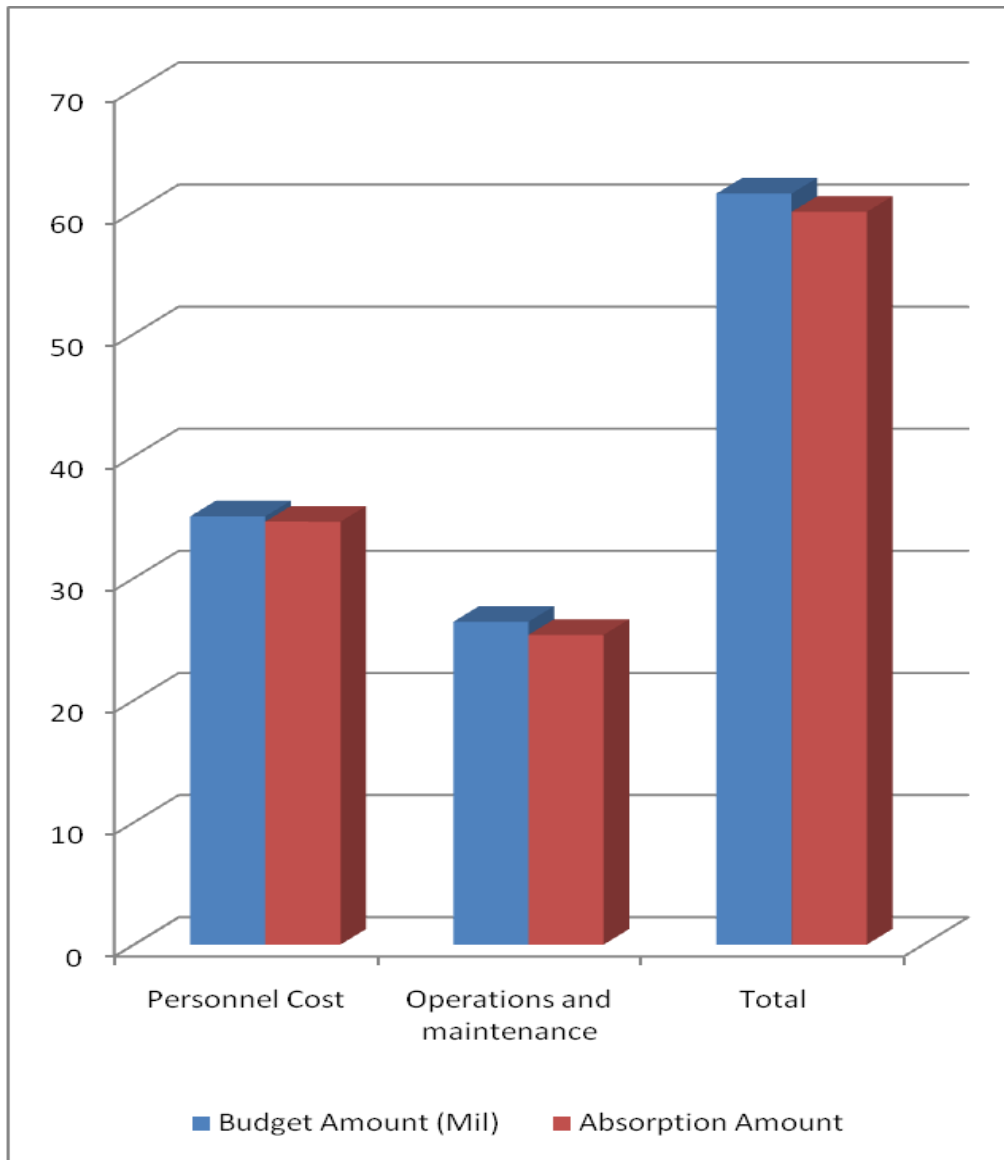


150. The Personnel cost (Compensation to employees) was the higher at 57 %. Operations and Maintenance was the lower beneficiary with 43 %.

Table 24: Public Service Management absorption level in Millions

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	35.07	34.64	99%
2	Operations and maintenance	26.44	25.37	96%
	Total	61.51	60.01	98%

Graph 9: Public Service Management analysis



151. Personnel cost was expended at 99%.The department spent 96% of Operations and Maintenance.

8. Lands, Housing and Urban Development

152. The department envisages attaining Excellence in land management and provision of affordable and quality housing for sustainable development. This will be achieved through its mission of facilitating improvement of livelihoods of Busia residents through efficient administration, equitable access, secure tenure, sustainable management of land resource and access to adequate housing.

153. The department consists of the following five directorates; Lands, Survey, Physical Planning, Housing and urban development. It is mandated to provide effective and efficient services on Lands, Housing and Urban Development in the County.

- 154.** Under the directorate of Lands, specialized operations include; Land Survey and Mapping, Boundaries demarcation and fencing of government lands, Land Information Systems and Land Registry services;
- 155.** Under the directorate of Housing, the following functions are effected; Implementation of Housing Policy, Shelter and slum upgrading, Appropriate building and construction technologies, Housing for County Public Service, Development and promotion of low cost rental housing, Management of County Government Housing and Leasing of Public Offices and Administration.
- 156.** Urban Development and Physical Planning directorates are mandated to prepare and implement county spatial plans; prepare local physical development plans; Implement national physical planning policies, strategies and standards; develop, control and enforcement of compliance; conduct research, monitoring and evaluation of county spatial planning; offer conflict resolution on matters arising from county spatial planning; advise National Land Commission on land reservation, alienation and acquisition on county specific projects; and preparation of annual reports on state of county spatial planning.
- 157.** The directorate through the Busia and Malaba Town management committees oversees the management and coordination of the activities of Urban Areas and Towns. This is in collaboration with the County Executive Committee.
- 158.** During the year under review, the department continued implementing its various projects underlying the departmental programmes. Solar powered street lights were installed in major towns while mass lights were installed in trading areas across the 35 wards. This has led to heightened economic activities within the county due to increased trading/business hours.
- 159.** The department successfully opened up access roads in Bumala town thereby improving the connectivity index for commercial plots.
- 160.** The department did acquire five (5) Acre parcels of land each at Malaba and Mundika respectively for establishment of trailer parks. This is intended to boost revenue collection and hence increase the county resource envelop.
- 161.** The Housing directorate mandate is to ensure the department avails quality and affordable housing to residents across the county. This is in line with the National Big Four Agenda. In FY 2014/15, the department rolled out establishment of Appropriate Building and Materials Technologies (ABMT). So far one ABT centre has been constructed in Osajai in Teso North and is near completion. This will be used for training of locals on affordable housing using locally available materials and will be done in an

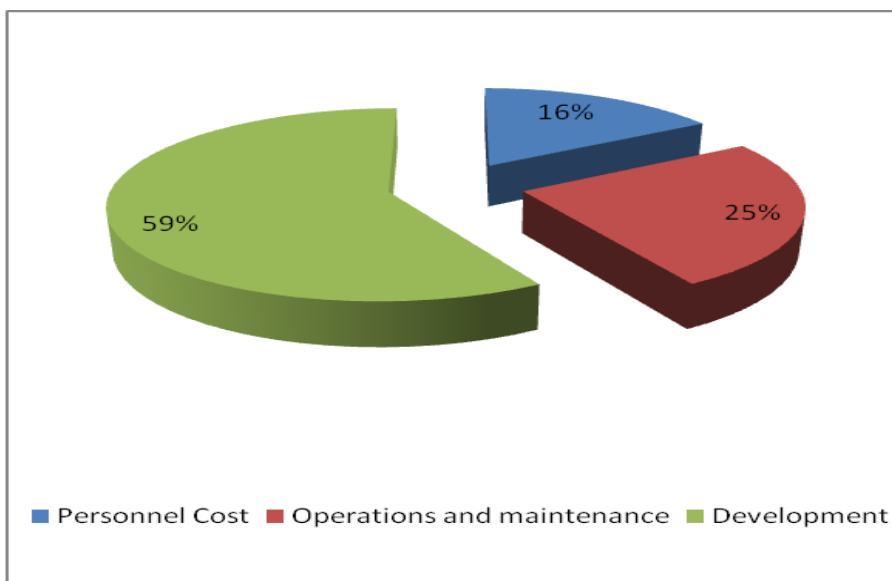
effort to improve access to quality housing. County government houses were renovated and maintained in the year under review.

- 162. Solid waste management was another area of achievement for the department. Through this project the department ensured clean environment within towns and urban areas.
- 163. The valuation roll for urban centres in the county was initiated and will be completed in FY 2018/19. Further, regulations for Busia County Rating act have been finalized and are now in the county assembly awaiting approval.
- 164. In the FY 2018/19 and the medium term, the department will continue implementing its key programmes in the various directorates. It will also initiate construction of the Governors and Deputy Governors’ residence, Refurbish and maintain the county head quarter building, Construct Appropriate Building Technology Centres in the remaining sub-counties, construct a modern sanitation block at the county head quarter and construct trailer parks in Malaba and Busia towns.
- 165. The department was allocated Ksh. 256.97 M. This constituted 3.45 % of the total budget. The budget for the department was divided as follows;

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	42.19	16
2	Operations and maintenance	64.59	25
3	Development	150.19	58
	Total	256.97	100

Figure 13: Lands, Housing and Urban Development Allocation analysis

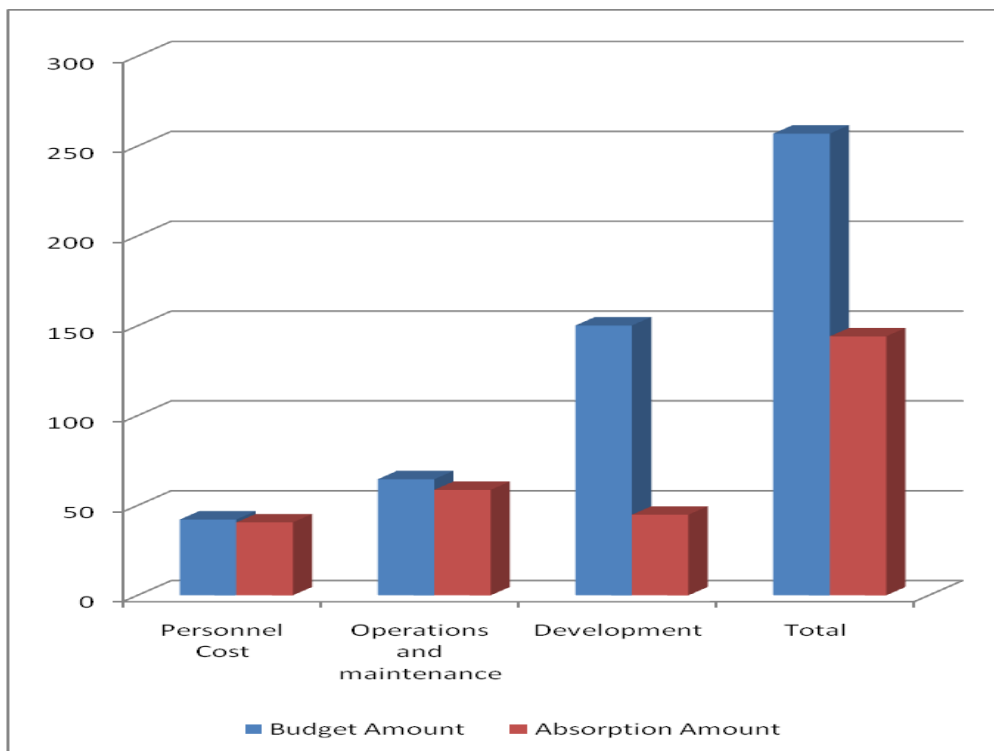


166. Development cost was the highest with an allocation of 59 %. Personnel cost (Compensation to employees) had an allocation of 16 %. Operations and maintenance got an allocation of 25 %.

Table 26: Lands, Housing and Urban Development absorption level

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	42.19	40.59	96%
2	Operations and maintenance	64.59	58.68	91%
3	Development	150.19	44.88	30%
	Total	256.97	144.15	56%

Graph 10: Lands, Housing and Urban Development Absorption analysis



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

9. Water, Irrigation, Environment and Natural Resources

168. The department aims at Promoting, conserving and protecting the Environment as well as improving access to Water for Sustainable Development in a clean, Secure and Sustainable Environment.
169. The department is mandated to ensure that the people of Busia County are provided with desired service levels in water provision under secure and sustainable environment. Emphasis has been to develop infrastructure that is sustainable, and less costly in operation and maintenance, Protect water catchment zones that include river banks, both permanent and seasonal and wetlands that run across the County. Increase in vegetation cover will ensure not only reduction in soil erosion and degradation but also improve water quality and quantity.
170. Investment on irrigation infrastructure aims to increase the acreage under arable farming which in turn will ensure food security at house hold level.
171. Liquid Waste Management as well as Irrigation Services formed the biggest challenge for the department. Investment requirements are enormous and the department will endeavor to partner with relevant stakeholders in ensuring adequate measures are in place to effectively control liquid waste for Sanitation purpose.
172. By connectivity the County had 2.5% sewer Connectivity limited to Busia Township with a standard Sewer treatment plant. Most of the sub-counties are open defecation free. Nambale Sub County has the greatest sanitation coverage.
173. During the year under review, the department was able to implement 30% of the planned new programmes. Completion of 2016/2017 projects, mostly county flag ships and ward based activities was fully achieved.
174. Rural Water Supplies were enhanced through an elaborate maintenance programme that increased reliability and over all supply performance.
175. General support of BUWASCO under Urban Water Supply has made sure water supply to the town was reliable.
176. Rehabilitation of degraded areas still is a challenge as the county has brick making, sand harvesting and quarry activities as part of her economic ventures
177. Under irrigation, Infrastructure development including Completion of Kokare irrigation and drainage project and Samia fruits project were completed and await commissioning.
178. Overall, the Department implemented 90% of the Departmental Projects and 30% of the Ward Development Projects.
179. The department engaged itself with other development partners in areas of irrigation, clean and waste water management, infrastructure development, environmental

protection and capacity building. Among the partners is: NIB for lower Nzoia project, WORLD BANK, LVNWSB and GOK for Malaba water project, KIWASH and WORLD VISION for infrastructure development and capacity building.

180. Over the medium-term period, emphasis will be on Intensifying revenue collection on water sales, reduction of dependence on hydroelectric power as a major source of energy to solar powered schemes, curbing malpractices in management of water schemes, creation of awareness on water utilization, strengthening monitoring and evaluation to meet desired goals, encourage growing of multi-purpose trees and shrubs on farm and development of non-timber forest products. Maintenance of the completed projects especially solar powered pumps and pipe extension is the main challenge facing the department

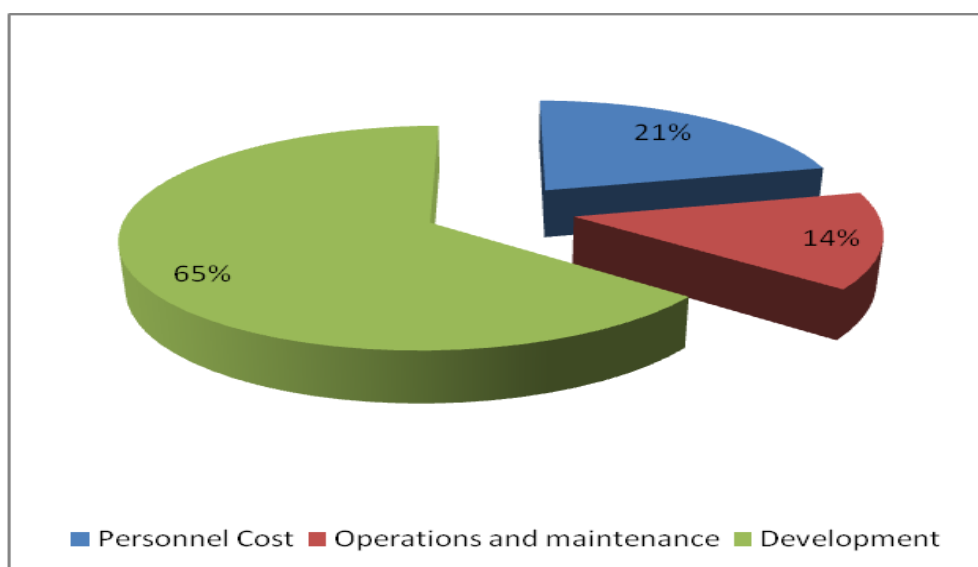
181. Policies on revenue enhancement, water supply management and enforcement of environmental laws will be a priority in the medium term.

182. The department was allocated Ksh. 313.08 M. This constituted 4.2% of the total County budget. This is distributed as follows:

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	66.91	21
2	Operations and maintenance	44.36	14
3	Development	201.8	64
	Total	313.07	100

Figure 14: Water, Environment and Natural Resources allocation analysis

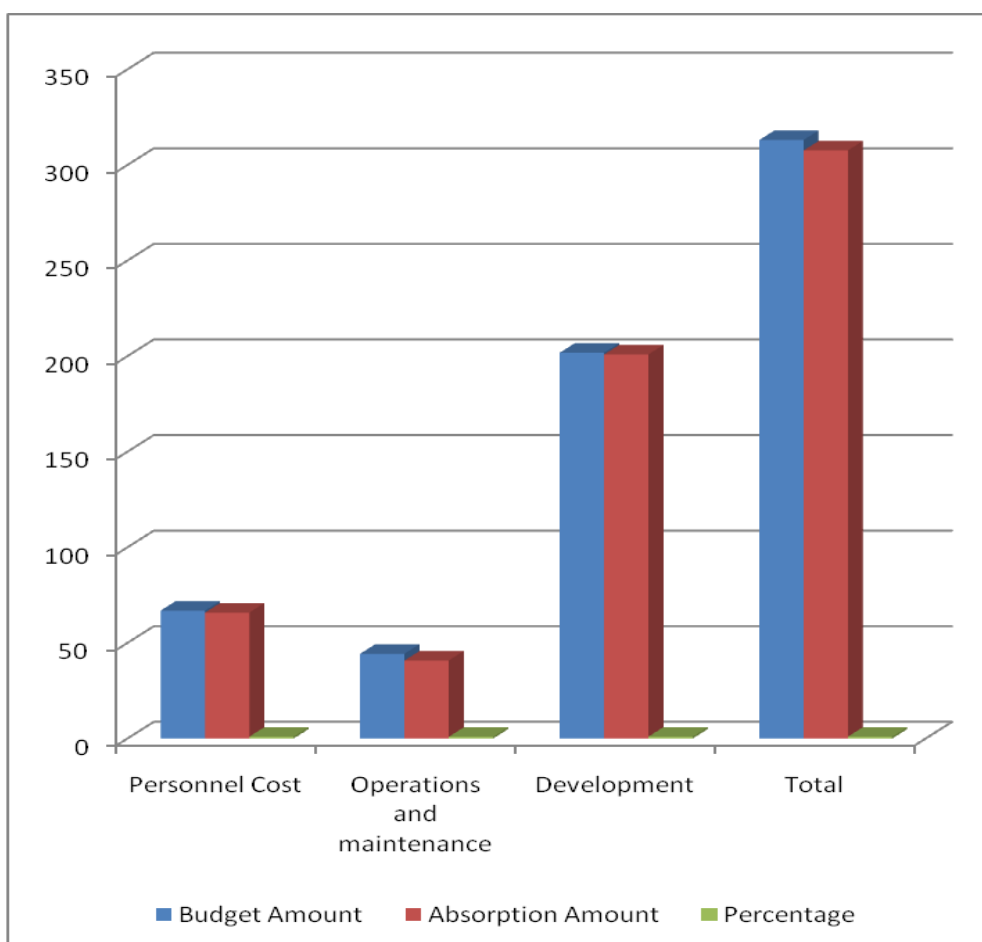


183. Development allocation was the highest at 65%. The Personnel allocation (Compensation to employees) took an allocation of 21% while Operations and Maintenance was least at 14%.

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

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	66.91	65.87	98
2	Operations and maintenance	44.36	40.84	92
3	Development	201.8	200.91	100
	Total	313.07	307.62	98

Graph 11: Water, Environment and Natural Resources absorption analysis



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

10. Health and Sanitation

- 185.** The department envisions transforming the county to healthy, productive, and internationally competitive County. To achieve this, the department will continuously establish a progressive, sustainable, technologically-driven, evidence-based and client-centered health system with the highest attainable standards of health at all levels of care in Busia County Health.
- 186.** To ensure efficient and effective service delivery, the department has three directorates namely; Administration and Support services, Curative and Rehabilitative Health Services and Preventive and Promotive Health Services. It is responsible for providing quality healthcare services to the people of Busia County and its environs.
- 187.** The department realized a number of achievements despite existence of various challenges, most outstanding being the Nurses Industrial action which commenced in early June, 2017 up to November 2017 when negotiations were concluded. The department provided both out-patient and inpatient services at Busia County Referral Hospital (Level 5) and 121 other facilities categorized as level 4, 3 and 2. Community health services was also enhanced during the period under review through strengthening of the Community strategy with significant assistance from health partners. During the review period, a total of 184 Community units and 2061 community health workers were active and reporting.
- 188.** TB cure rate for 2017-2018 was 85%. TB case finding increased from 1148 in 2016/17 to 1303 in 2017/18. This was attributed to procurement and placement of Gene Xpert Machine at Teso North Sub County and Khunyangu Sub county Hospital.
- 189.** Health facility based deliveries have improved over the years. In 2012 -2013 it was at 36%. Due to free maternity services delivery program they increased to 56 % in 2013-2014 and to 59% in 2014-2015. In the subsequent years 2015-2016 they dropped to 41% and 35% in 2016-2017 because of the doctors' a hundred days strike and nurses 'strikes which took effect from 6th June 2017 to date. County HIV prevalence rate in 2017-2018 was 7.7 %. The rate was 6.7% (2016-2017) and 6.8% (2015-2016).
- 190.** However, this was occasioned by the reduction by the Kenya National Bureau of Statistics of Busia population, from 864342 in 2015 to 855038 in 2017, thus the increase on calculated prevalence. The national prevalence remains at 5.1 %. The number of Persons living with HIV/AIDS remained at 38,606. One of the recorded achievements under HIV was that the county achieved the first 90% target with 94% of persons living with HIV diagnosed and 104% put on Anti Retroviral Therapy. Viral suppression coverage however remained at 96%. This was due to concerted effort by County

government, national programme and implementing partners. We also recognize the fact that a number of our clients are from the cross boarder and migrant population.

- 191.** The department continued to collaborate with partners in implementation of health services, including AMPATH, Aphia plus, HP +, Save the Children, Living Goods SETH, Amref Health Africa, Fred Hollows and K-Ship.
- 192.** On environmental Health, Training of communities and technical staff on importance of maintaining the open defecation free status progressed through the SANMARK Project. There was also upgrading of community latrines and liquid waste management. Deworming of school children, condom distribution, outbreak investigation and response was also undertaken.
- 193.** Among project achievements during the period under review, the second County Drug store was renovated to completion. An additional 40 medical beds were procured in 2017-2018 and were distributed to facilities across the county. With assistance of Global implementation solutions (GIS) 5 health facility laboratories were renovated, equipped and staff trained on QMS and lab internal audit. The Department also procured 5 autoclaves at Ksh. 295,000 for the sterilization of surgical equipment and linen to prevent hospital acquired infections.
- 194.** Over the same period the Department was able to complete the maternity ward at Angurai Health Centre, Maternity ward and laboratory at Malaba Dispensary, wards at Amukura Health Centre and Kapina dispensary. The fencing of Odengero and mounting of the gate was also done.
- 195.** 9 microscopes were also procured and distributed across 9 primary health facilities. The department also partnered with National Hospital Insurance Fund in enlisting health facilities to the Linda Mama Programme
- 196.** The department's key pending project as at end of period of review include the Accident and emergency unit, medical laboratory block at Port Victoria and various projects in the lower health facilities.
- 197.** However, due to the prolonged industrial strikes by different cadres in the sector, interruption of services county wide affected performance and the department witnessed a general decline in key indicators. Among them were a decrease in pregnant mothers delivering under skilled personnel dropping from 52% in 2016-2017 to 48.5 % in 2017-2018. Fully immunized children coverage also dropped from 74.1 % in 2016-2017 to 56.2 % in 2017-2018. Expectant mothers receiving long lasting treated nets declined to 69 % down from 80% in 2017-2018

198. The risks to anticipate going forward are mainly; inadequate funding, poor cash flow, inflation, reduced revenue collection because of poverty and logistical issues. The other challenge is the frequent industrial actions inherent in the health sector.

199. Going forward, the department will focus on achievement of Universal Health Coverage as one among the top 4 Agenda in the period 2018-2022: among the programmes to be implemented include;

- a.** Completion of Accident and Emergency Unit and the Maternity and Newborn at Busia Referral Hospital for timely intervention of emergency cases. The department also plans to operationalize the theatre at Khunyangu through procurement of requisite equipment.
- b.** The department will also ensure that all the health facilities are fully equipped and the existing equipment are serviced promptly as required. The equipment will include those of theatres at Nambale, Khunyangu and Sio-Port Hospitals.
- c.** Procurement process for Laundry machines will be completed to ensure the standards of patient linen are maintained.
- d.** The Department will strengthen its relationship with partners who are primarily involved in Primary Health Care activities such as sanitation, HIV/AIDs, Immunization, malaria control, TB & Leprosy, Reproductive, Health, Ophthalmology services and Community Strategy. The department is committed to motivating the CHWs by paying them a monthly stipend.
- e.** Under the preventive proramme, the department will enhance Malaria, Nutrition and eye-care services through a budgetary allocation to support key activities in the respective areas.

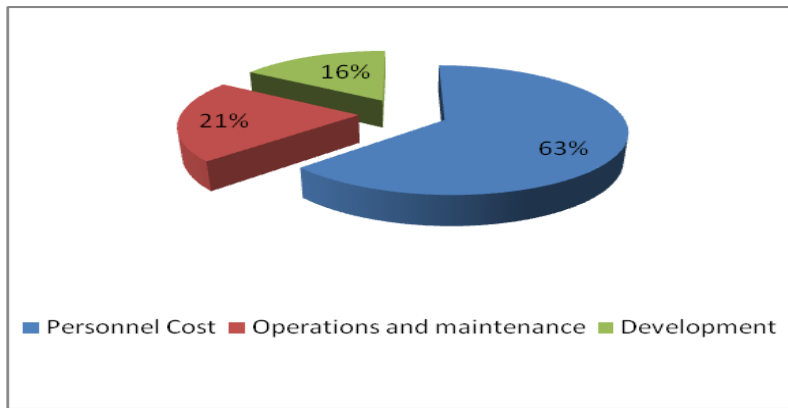
200. The department was allocated Ksh 1,838.37 M. This constituted 24.68% of the total budget. The budget for the department was divided as follows

201. . The budget for the department was divided as follows

Table 29: Health and Sanitation allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	1162.1	63
2	Operations and maintenance	382.7	21
3	Development	293.57	16
	Total	1838.37	100

Figure 15: Health and Sanitation allocation analysis

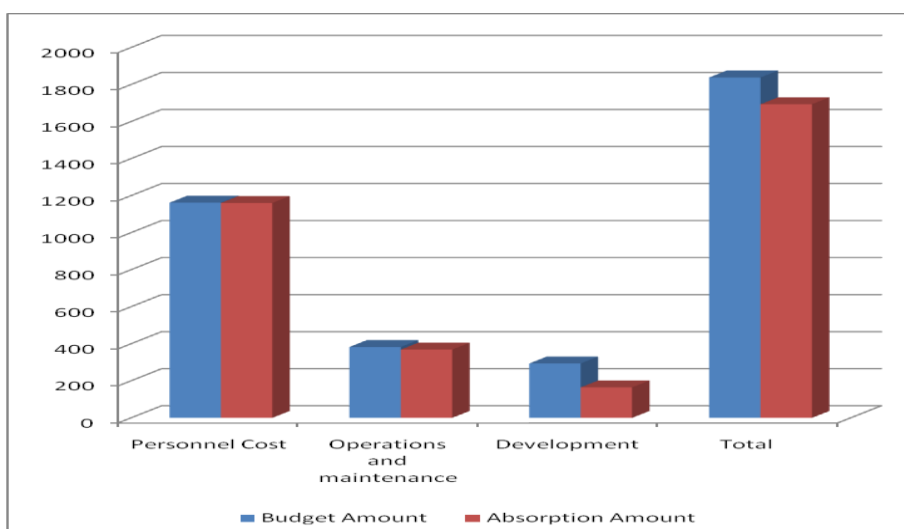


202. Personnel allocation (Compensation to employees) took the highest allocation of 63%. This is because of the high number of staff who are deployed in all county health facilities and community level. However, the department is still faced with shortage of key staff. The development vote stood at 16% while Operations and maintenance got an allocation of 21% of the department’s budget.

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

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	1,162.1	1,160.49	100
2	Operations and maintenance	382.7	368.8	96
3	Development	293.57	164.59	56
	Total	1,838.37	1,693.88	92

Graph 12: Health and Sanitation absorption analysis



203. The personnel allocation was fully expended at 100%. The Operations and Maintenance vote managed a 96% absorption capacity while development managed 56%.

11. The County Public Service Board

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

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

206. In the year under review, the Board recruited 714 (509 females and 205 males) new staff including 12 chief officers, introduced controls on recruitment of casual workers, promoted 98 staff members, handled 5 disciplinary cases, and enhanced good labour relations by engaging staff members and their trade union representatives, while advising the government accordingly.

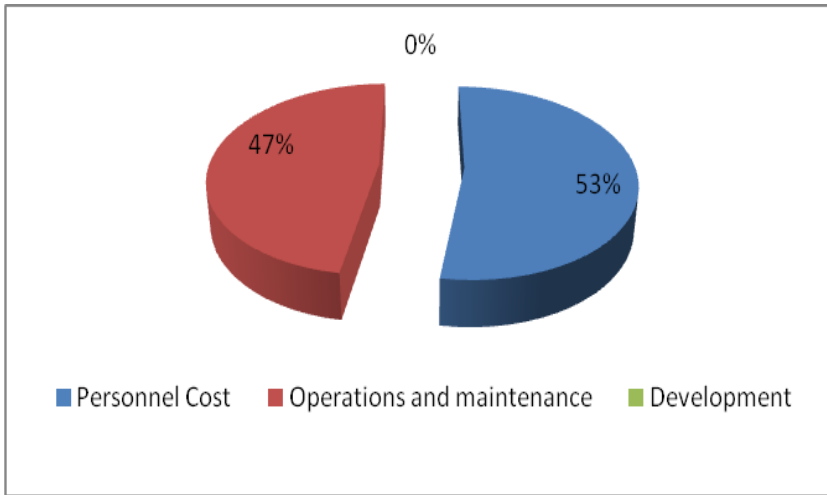
207. The Board however, experienced the following challenges that strained its performance; inadequate funding, inadequate office space and equipment, and the secretariat’s staff is not full time.

208. The department was allocated Khs. 58.50. This constituted 0.80% of the total county budget as follows;

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	31.27	53
2	Operations and maintenance	28.23	47
	Total	59.5	100

Figure 16: The County Public Service Board allocation analysis

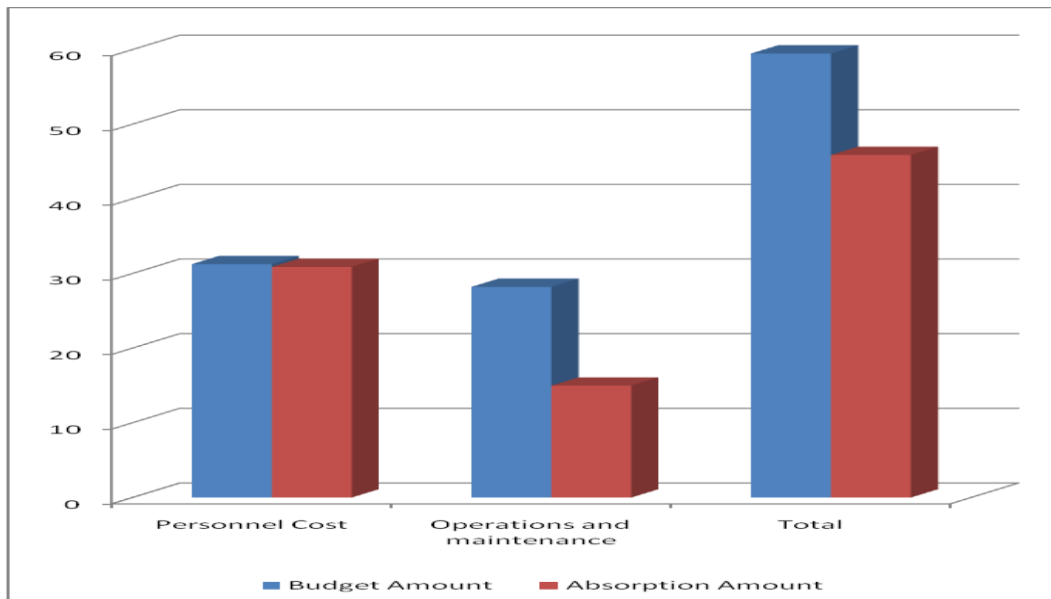


209. The operation and maintenance vote allocation was higher by 53% compared to the Personnel emoluments which had an allocation of 47%.

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

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	31.27	30.91	99
2	Operations and maintenance	28.23	14.99	53
	Total	59.5	45.9	77

Graph 13: The County Public Service Board absorption analysis



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

12. Office of the Deputy Governor

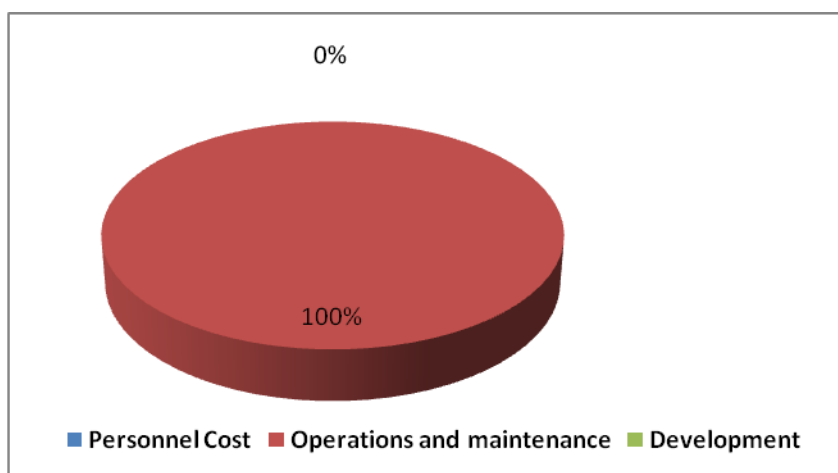
211. The office of the Deputy Governor Comprises units; namely Policy Coordination and Legislative Liaison. It is the fulcrum of the county government on matters of the County capacity development for policy and coordination.

212. The office was allocated Ksh. 30.33 This constituted 0.41% of the total county budget as follows.

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

SNO	Description	Amount (Mil)	Percentage
2	Operations and maintenance	30.33	100%
	Total	30.33	100%

Figure 17: The Office of the Deputy Governor allocation analysis

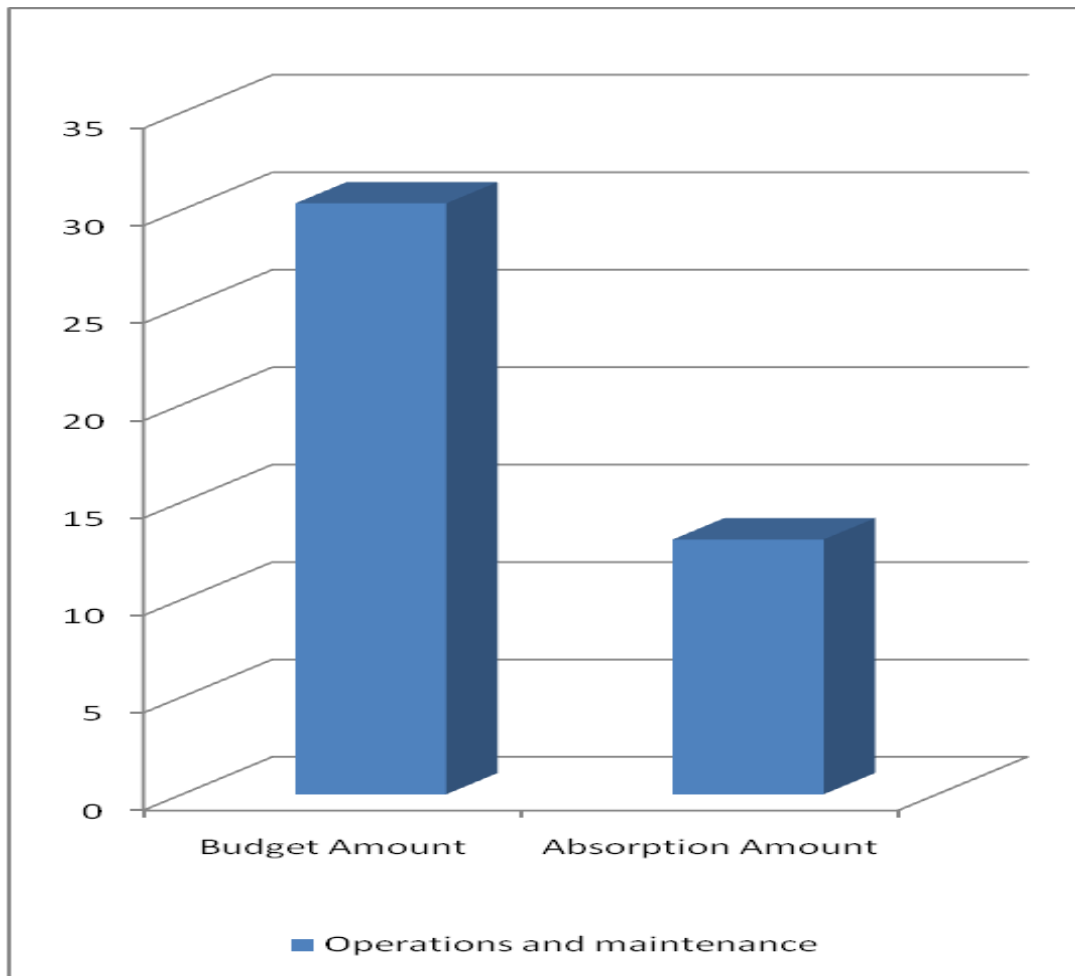


213. The office only received an allocation of 30.33 for Operations and Maintenance. The personnel cost was covered under Office of the Governor

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

SNO	Description	Budget Amount	Absorption Amount	Percentage
2	Operations and maintenance	30.33	13.08	43%
	Total	30.33	13.08	43%

Graph 14: Office of the Deputy Governor Absorption analysis



214. The allocation for operation and maintenance was absorbed at 43%

13. Office of the Governor

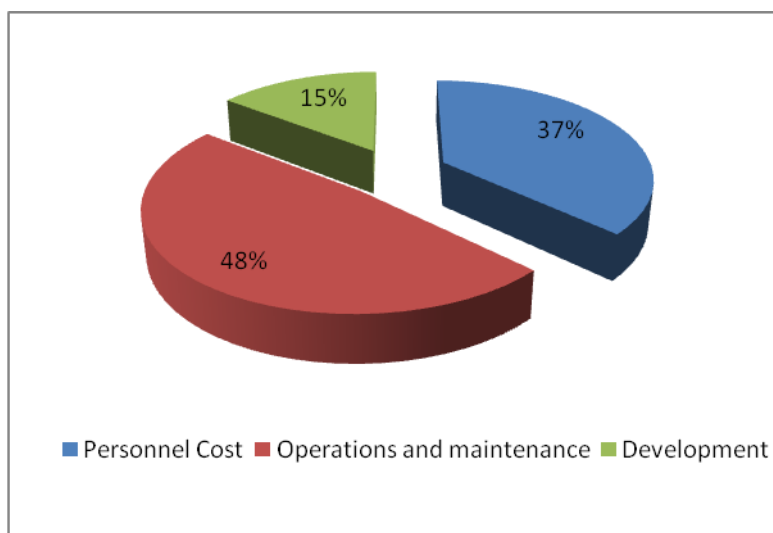
- 215.** The Governorship aims at coordinating and harmonizing public service delivery across the county through all the county government departments and in collaboration with the national government and development partners.
- 216.** The Governorship is mandated to spearhead policy formulation; promotion of the rule of law and order; resource mobilization; coordination and supervision of effective and efficient public service delivery; swift response to critical community needs during disaster occurrences; publicity, branding and public participation.
- 217.** The Governorship constitutes the Office of the Governor, Deputy Governor, the County Secretary and County Public service Board. To streamline the implementation of her mandate effectively, the Governorship established four directorates of Public Administration, Enforcement, Disaster Management, and Communication.

- 218.** The Governorship, through the directorates of Public Administration and Enforcement effectively and efficiently coordinated and supervised public service in all administrative levels at the County, Sub Counties, wards and up to village units across the county. This promoted active public participation in needs assessment, project identification, budgeting and implementation, as well as maintenance of law and order. The directorates also enhanced intergovernmental relations.
- 219.** The Directorate of Disaster Management conducted County Disaster Management Committee meetings, flood assessment surveys in Teso North, Teso South, Matayos and Bunyala in collaboration with Kenya Red Cross, fire response drills for disaster management and health staff, fire compliance inspections for the newly constructed laboratory at BCRH, and business premises across the County, made approvals and issued compliance certificates. In partnership with Maseno University the directorate sensitized people on detecting early flood warning mechanism in Bunyala Sub County, and did a windstorm assessment at Katakwa in Teso North Sub County.
- 220.** The Directorate of disaster management further carried out fire response operations and managed to contain fire outbreaks in the following places; rescued 3 shops at, Mungatsi Market, averted petrol tank accident along Kisumu - Busia Road, saved Bishop Sulumeti Dormitory, amongst many other incidents.
- 221.** The Directorate of Communication produced a video documentary highlighting the achievements of the County Government of Busia, developed editorial policy for the directorate, broadcasted 160 programmes of radio magazine in 4 radio stations namely Emuria Fm, Busia Fm, Bulala Fm and West Fm, produced 70 radio programmes highlighting the achievements of the County Government of Busia across the entire county, published 1500 copies of the County magazine, published 3,000 copies of booklets during the annual Devolution Conference held in Naivasha, broadcasted video documentary highlighting county achievements in KTN and Citizen television, published several supplements in Standard, Nation and Star newspapers, published press releases in Standard, Nation and Star newspapers
- 222.** The Governorship experienced the following challenges; insufficient funds, inadequate office space, lack of vehicles to coordinate public administrators' movement for effective and efficient supervision of the public service, amongst others.
- 223.** The fiscal performance in 2017/2018 was generally satisfactory. The Office of the Governor was allocated Ksh. 358.33 This constituted 4.81% of the total budget as follows;

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	132.5	37
2	Operations and maintenance	173.43	48
3	Development	52.41	15
	Total	358.34	100

Figure 18: Office of the Governor Allocation analysis

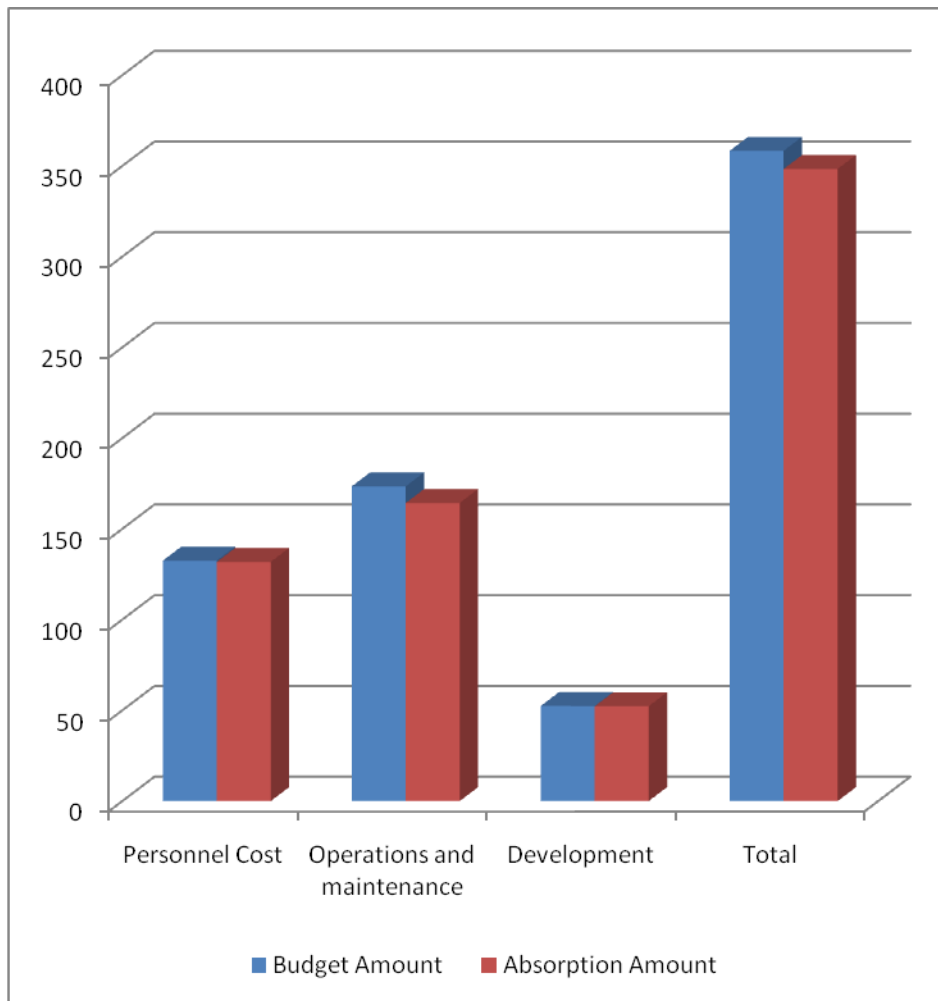


224. The office had a development allocation of 15%, operation and maintenance vote allocation was allocated 48% compared to the Personnel emoluments which had an allocation of 37 %.

Table 35: Office of the Governor Absorption level in Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	132.5	131.81	99
2	Operations and maintenance	173.43	164.27	95
3	Development	52.41	52.24	100
	Total	358.34	348.32	97

Graph 15: Office of the Governor Absorption analysis



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

14. Office of the County Secretary

226. The County Secretary is mandated inter-alia to be the head of the county public service, be responsible for arranging the business, and keeping the minutes of the county executive committee subject to the directions of the executive committee, convey the decisions of the county executive committee to the appropriate persons and authorities; and perform any other functions as directed by the county executive committee.

227. The County Secretary played a central role in determining policy that laid the ground for the institution of key bills which were debated by the County Assembly.

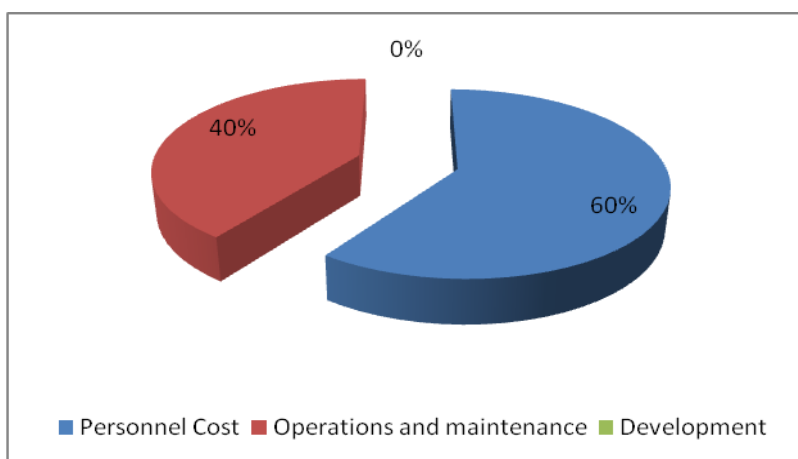
228. The Office of the County Secretary acted as a liaison link between the County Executive and other institutions for the purpose of effective implementation of the decisions emanating from the County Executive. In addition, the Office of the County Secretary was instrumental in communication of National policies to relevant departments of the County.

229. The office faced the following challenges that limited the execution of its mandate; budgetary constraints, inadequate staff capacity in key technical areas, inadequate provision of infrastructure and office space and equipment, achievement of a harmonized and seamless functioning of public service staff from different contexts. Some of these challenges were addressed through training and hiring of technical staff. Also, the collaboration with relevant departments ensured that the challenge of office space and infrastructure was gradually being addressed.
230. The office will continue to ensure that every effort is made to institute a productive and effective Public Service in the County. In addition, the Office of the County Secretary will endeavor to implement the institution of a strategic focus to achieving an upward trend in the development of the County.
231. The department was allocated Ksh. 118.88M. This constituted 1.60 % of the total budget. The budget for the department was divided as follows;

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

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	71.2	60
2	Operations and maintenance	47.68	40
	Total	118.88	100

Figure 32: Office of the County Secretary analysis by economic classification

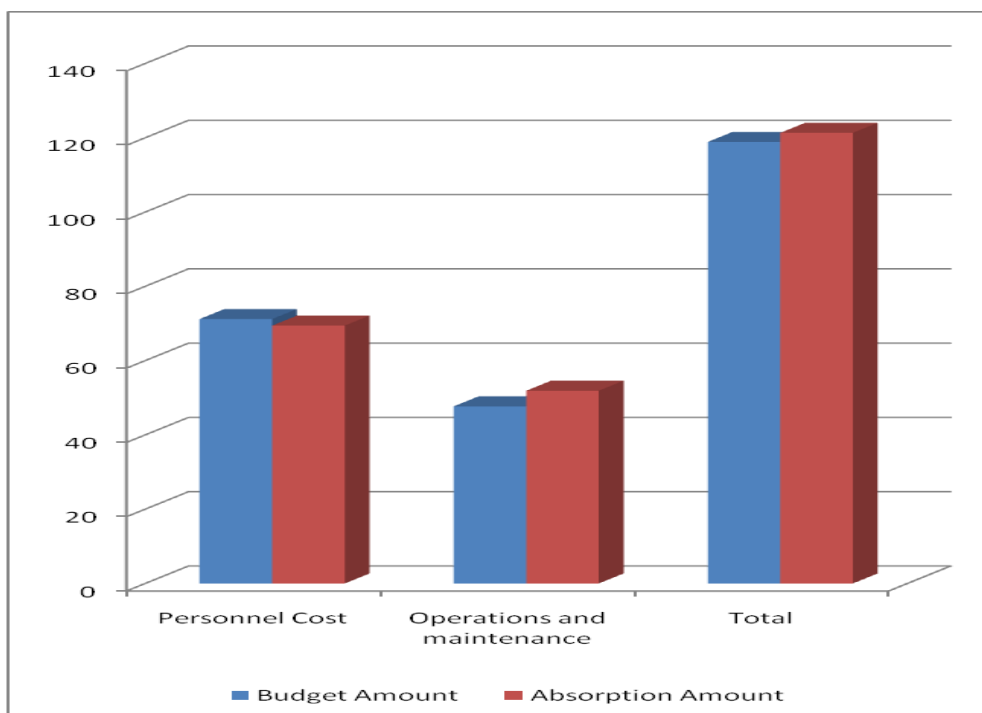


232. Personnel emoluments vote allocation accounted for 60% compared to O&M's 40%.

Table 37: Office of the County Secretary absorption level

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	71.2	69.43	98
2	Operations and maintenance	47.68	51.9	109
	Total	118.88	121.33	102

Graph 16: Office of the County Secretary absorption analysis



233. The spending in Personnel Emoluments was 98% while Operations and Maintenance over expended by 9%. Total departmental absorption was 88%.

15. County Assembly

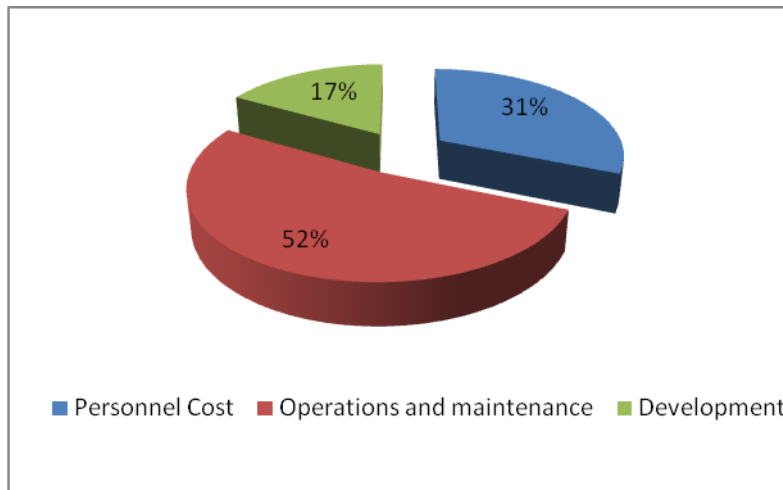
234. The County Assembly’s core functions are to develop legislation, perform oversight and representation. The assembly is more committed to building an effective county assembly that is responsive to the needs of the people and that is driven by the ideals of realizing better quality of life for the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

235. The County Assembly was allocated Ksh. 1,089.53 B. This accounted for 14.63% of the total county budget. The budget allocation was distributed as follows;

Table 38: County Assembly allocation analysis by economic classification

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	340.07	31
2	Operations and maintenance	566.56	52
3	Development	182.9	17
	Total	1,089.53	100

Figure18: County Assembly allocation analysis

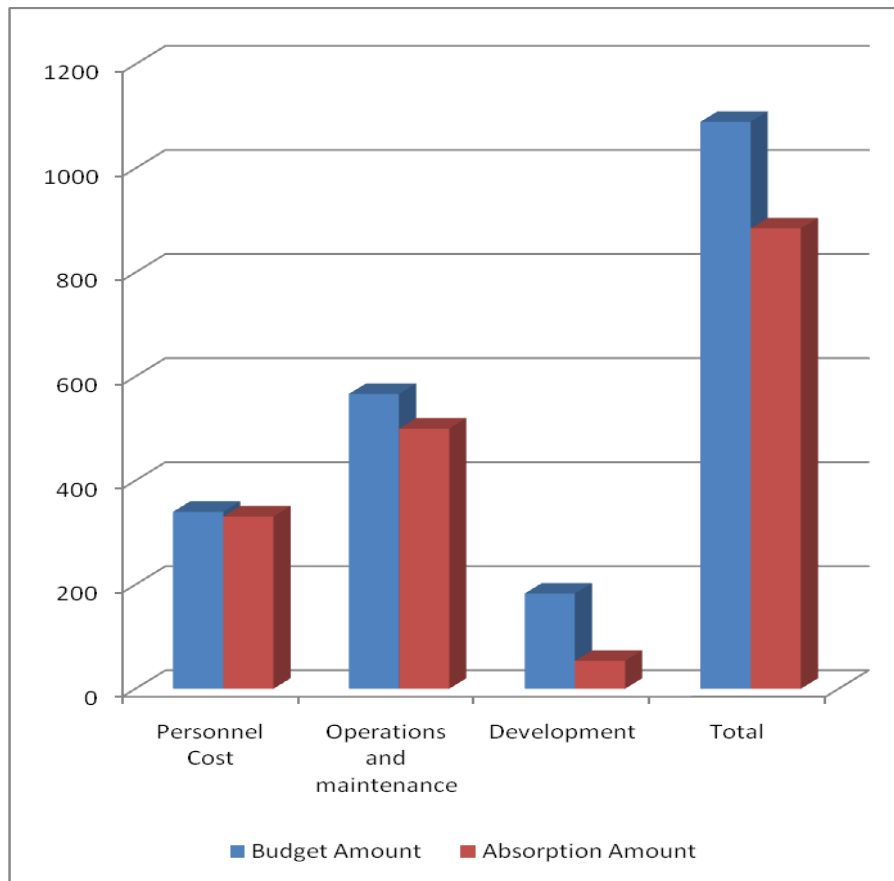


236. The Operations and Maintenance vote got the highest allocation at 52% followed by Personnel which had an allocation of 31%. Development cost allocation took the least allocation of 17 %.

Table 39: County Assembly absorption level in Millions

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	340.07	331	97
2	Operations and maintenance	566.56	499.9	88
3	Development	182.9	53.8	29
	Total	1,089.53	884.7	81

Figure 19: County Assembly absorption analysis



237. Operations and Maintenance absorption was over expended at 88%. However, the County Assembly utilized only 29 % of their development funds. Personnel cost was at absorption rate of 97%.

ANNEX 1: PROPOSED DEPARTMENTAL CEILINGS IN MILLIONS

Department	EC	O&M	Dev	Total	EC	O&M	Dev	Total	EC	O&M	DEV	Total
Agriculture and Animal Resources	182.27	38.34	247.60	468.21	200.50	42.17	268.07	510.74	220.55	46.39	292.44	559.38
Trade, Cooperatives and Industrialization	35.09	22.82	150.70	208.61	38.60	25.10	178.20	241.90	42.46	27.61	196.37	266.44
Education and Vocational Training	200.27	204.86	241.21	646.34	225.04	225.35	277.02	727.41	229.19	247.88	285.69	762.76
Finance, Economic Planning and ICT	290.25	581.81	30.50	902.56	319.27	640.00	24.04	983.30	351.20	703.99	26.44	1081.63
Community, Culture Sports and Social Services	25.20	69.79	158.95	253.94	27.73	76.77	74.40	178.90	30.50	84.45	85.14	200.09
Roads, Public Works, Energy and Transport	49.93	29.41	645.79	725.13	54.92	32.35	489.04	576.31	60.42	35.59	533.95	629.95
Public Service Mgt	25.07	26.44	0.00	51.51	27.57	29.08	0.00	56.66	30.33	31.99	0.00	62.32
Lands, Housing and Urban Development	27.19	66.79	222.73	316.70	29.91	62.31	195.81	288.03	32.90	58.39	144.59	235.88
Water Environment and Natural Resources	65.91	63.36	410.50	539.77	72.50	69.70	183.78	325.98	79.75	76.67	202.21	358.63
Health and Sanitation	1,067.35	316.09	330.20	1,713.64	1,174.08	347.70	191.53	1,713.31	1,291.49	382.47	209.68	1883.64
County Public Service Board	26.91	22.23	0.00	49.14	29.60	24.45	0.00	54.05	32.56	26.90	0.00	59.45
The Governorship	126.64	151.84	88.60	367.08	139.30	167.02	30.71	337.04	153.23	183.73	72.06	409.02
The County Assembly	415.49	313.02	55.00	783.50	375.15	395.31	77.00	847.45	430.00	421.23	84.70	935.93
TOTALS	2,537.55	1,906.80	2581.77	7,026.12	2,714.17	2,137.31	1989.59	6,841.07	2,984.57	2,327.29	2133.26	7445.12

**ANNEX 2: DISBURSEMENT OF COOPERATIVE ENTERPRISE DEVELOPMENT
FUND AS AT 30TH JUNE, 2018**

	NAME OF SOCIETY	APPROVED	DISBURSEMENT JUNE 2018	TOTAL REPAID AS AT JUNE 2018 (P & I)	TOTAL REPAID TO DATE
1	Busia County Women Entrepreneurs SACCO Society Ltd	4,000,000.00	4,000,000.00	1,997,168.62	2,332,168.00
2	Funyula Hazina Women SACCO Society Ltd	3,500,000.00	3,500,000.00	1,696,067.12	1,966,504.00
3	Farm View SACCO Society Ltd	3,000,000.00	6,000,000.00	87,600.00	330,000.00
4	Township Matayos SACCO Society Ltd	800,000.00	800,000.00	534,800.00	588,800.00
5	Aturet Farmers SACCO Society Ltd	1,000,000.00	1,000,000.00	291,944.94	316,400.00
6	Bunyala Farmers Rural SACCO Society Ltd	500,000.00	500,000.00	150,654.97	172,028.00
7	Chamu Boda Boda SACCO Society Ltd	3,000,000.00	3,000,000.00	1,464,523.43	1,598,000.00
8	Samia Fish Farmers cooperative Society Ltd	1,000,000.00	1,000,000.00	302,813.16	351,667.00
9	Butula Dairy Farmers Cooperative Society Ltd	1,400,000.00	1,400,000.00	149,980.00	184,040.00
10	Nambale Dairy Farmers Cooperative Society Ltd	1,420,000.00	1,420,000.00	165,807.30	184,131.00
11	Marachi East Poultry Cooperative Society Ltd	350,000.00	350,000.00	22,366.80	33,100.00

12	Bunyala Farmers Grain Out Growers Cooperative Society Ltd	3,400,000.00	3,400,000.00	600,000.00	872,000.00
13	Luanda Cotton Farmers Cooperative Union	4,000,000.00	4,000,000.00	-	-
14	Nambale Cotton Farmers Cooperative Union	2,000,000.00	2,000,000.00	136,398.00	163,646.00
15	Busia Walemavu SACCO Society Ltd	1,000,000.00	1,000,000.00	41,670.00	45,010.00
16	Farmers Link Cooperative Society Ltd	2,000,000.00	2,000,000.00	225,712.00	250,000.00
17	Matayos Small Traders SACCO Society Ltd	1,000,000.00	1,000,000.00	431,479.75	470,750.00
18	Nambale Pond Fish Farmers Cooperative Society Ltd	1,000,000.00	1,000,000.00	100,356.00	164,300.00
19	Baco SACCO Society Ltd	1,000,000.00	1,000,000.00	864,535.16	948,279.00
20	Jairos Farmers Cooperative Society Ltd	1,000,000.00	1,000,000.00	647,570.00	727,570.00
21	Matayos Multipurpose Cooperative Society Ltd	500,000.00	500,000.00	59,510.00	67,860.00
22	Maendeleo Mashinani Rural SACCO Society Ltd	1,000,000.00	1,000,000.00	9,900.00	30,000.00
23	Butula Women Rural SACCO Society Ltd	500,000.00	500,000.00	251,810.00	289,190.00
24	Nambale Tosha Women SACCO	500,000.00	500,000.00	47,340.00	67,020.00

	Society ltd				
25	Bumala Vehicle Stage Operators SACCO Society ltd	1,000,000.00	1,000,000.00	505,320.00	562,010.00
26	Busia County Assembly Sacco	2,020,000.00	2,000,000.00	83,266.00	211,200.00
27	Butula fsa sacco	1,818,000.00	1,800,000.00	70,728.00	78,000.00
28	Bunyala fsa	1,818,000.00	1,800,000.00	99,920.00	108,000.00
29	Funyula fsa	1,818,000.00	1,800,000.00	99,920.00	208,000.00
30	Matayos Bidii sacco	2,323,000.00	2,300,000.00	-	-
31	Nambale fsa	1,313,000.00	1,300,000.00	-	40,000.00
32	Busama Sacco	500,000.00	500,000.00	27,500.00	67,500.00
33	Pamaoja maendeleo community sacco	505,000.00	500,000.00	30,600.00	71,000.00
34	ICS Fund Kenya Sacco	1,010,000.00	1,000,000.00	1,010,980.00	1,091,780.00
35	Teso north youth sacco	505,000.00	500,000.00	504,800.00	545,200.00
36	Busia Fish Traders Multi Purpose cooperatives	1,010,000.00	1,000,000.00	154,200.00	235,000.00
37	Malaba women sacco	505,000.00	500,000.00	299,800.00	313,700.00
38	Tanagakona commercial village farmers cooperative	1,010,000.00	1,000,000.00	141,200.00	222,000.00
39	Funyula business community sacco	505,000.00	500,000.00	122,540.00	162,940.00
40	Visionary investment housing coop	1,010,000.00	1,000,000.00	228,575.00	309,375.00
41	Busia township bodaboda sacco	1,515,000.00	1,500,000.00	470,800.00	490,000.00
42	Osieko youth sacco	500,000.00	500,000.00	27,500.00	67,500.00
43	Nanapofa Sacco	505,000.00	500,000.00	193,750.00	234,150.00
44	Maendeleo Bunyala Sacco	2,020,000.00	2,000,000.00	163,650.00	271,250.00

45	BUTEICO cooperative	3,030,000.00	3,000,000.00	1,818,400.00	1,980,000.00
46	Western travellers sacco	4,646,000.00	4,600,000.00	683,495.00	974,375.00
47	Bukhayo north/walatse sacco	505,000.00	500,000.00	58,650.00	97,850.00
48	Marachi East Traders Sacco	707,000.00	700,000.00	45,300.00	75,300.00
49	BUNOTSA	1,010,000.00	1,000,000.00	874,200.00	955,000.00
50	Busia County bunge Sacco	1,010,000.00	1,000,000.00	124,899.00	135,000.00
51	Ojok housing cooperative society	300,000.00	300,000.00	31,000.00	54,000.00
52	busia north secondary schools sacco	1,010,000.00	1,000,000.00	827,300.00	772,650.00
53	Busia kilimo sacco	707,000.00	700,000.00	615,440.00	640,000.00
54	Burumba Ward women sacc	1,700,000.00	1,700,000.00	425,000.00	561,000.00
55	Funyula dairy farmers coop	275,000.00	275,000.00	-	10,000.00
56	Nambale bodaboda sacco	1,000,000.00	1,000,000.00	11,800.00	84,000.00
57	Bunyala bodaboda sacco	470,000.00	470,000.00	-	28,000.00
58	Busia fruits & vegetables coop	500,000.00	500,000.00	23,300.00	45,300.00
59	Adungosi dairy farmers coop	250,000.00	250,000.00	58,750.00	78,750.00
60	Busia local poultry farmers coop	400,000.00	400,000.00	-	12,000.00
61	Abamunyiti sacco	300,000.00	300,000.00	93,000.00	117,000.00
62	Kakaabo Sacco	300,000.00	300,000.00	97,500.00	121,500.00
63	Katamakis farmers women coop	300,000.00	300,000.00	32,980.00	56,980.00
64	ACK Nambale Diocese women sacco	505,000.00	500,000.00	232,300.00	272,700.00

65	Nambale Boresha sacco	300,000.00	300,000.00	138,960.00	163,200.00
66	Kingandole maendeleo ya wanawake women sacco	300,000.00	300,000.00	107,875.00	131,875.00
67	Pamoja GISE sacco	303,000.00	200,000.00	75,860.00	100,100.00
68	Butula SME sacco	300,000.00	300,000.00	300,000.00	324,000.00
69	Uzima sacco	300,000.00	300,000.00	9,500.00	33,500.00
70	Butula Young Entrepreneurs sacco	300,000.00	300,000.00	44,125.00	68,125.00
	TOTAL	82,748,000.00	85,365,000.00	21,244,690.25	25,333,273.00

ANNEX 4: DISBURSEMENT OF AGRICULTURAL DEVELOPMENT FUND AS AT 30TH JUNE, 2018

SUB COUNTY		WARD	AMOUNT AWARDED
Bunyala	1	Bunyala Central	1,503,300
	2	Bunyala North	1,257,460
	3	Bunyala South	1,131,100
	4	Bunyala West	1,093,700
Butula	5	Elugulu	999,050
	6	Kingandole	760,700
	7	Marachi Central	330,350
	8	Marachi East	1,490,920
	9	Marachi North	715,520
	10	Marachi West	1,180,200
Matayos	11	Bukhayo West	332,200
	12	Burumba	831,500
	13	Busibwabo	716,910
	14	Matayos South	923,650
	15	Mayenje	1,092,500
Nambale	16	Bukhayo Central	693,100
	17	Bukhayo East	1,343,300
	18	Bukhayo North	1,342,700
	19	Township	1,762,850
Samia	20	Ageng'a/Nanguba	1,173,210
	21	Bwiri	875,200
	22	Namboboto/Nambuku	1,441,300
	23	Nangina	1,618,100
Teso North	24	Angurai East	1,242,080
	25	Angurai North	920,000
	26	Ang'urai South	1,025,700
	27	Malaba Central	1,783,100
	28	Malaba North	1,080,350
	29	Malaba South	1,001,800
Teso South	30	Amukura Central	1,509,000
	31	Amukura East	960,500
	32	Amukura West	1,264,500
	33	Angorom	1,191,650
	34	Chakol North	620,800
	35	Chakol South	822,500
Totals			38,030,800