

**REPUBLIC OF KENYA**



**MANDERA COUNTY GOVERNMENT**

**COUNTY TREASURY**

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**BUDGET IMPLEMENTATION STATUS REPORT**

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**FULL YEAR ANNUAL REPORT  
FY 2020/2021**

**JULY, 2021**

## **County mission and vision**

### **Vision**

To be a regionally competitive and self- reliant county

### **Mission**

To strategically position ourselves as a county guided by innovative competitiveness in order to achieve progressive, wealthy, healthy, cohesive and secure county.

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## **Foreword**

I am pleased to present the Budget Implementation Report for the full year of the Financial Year (FY) 2020/2021. The report fulfils the county's obligation under Section 166 of the Public Finance Management Act 2012 to prepare and publish quarterly budget implementation reports. The law specifies that these reports shall contain both financial and non-financial information.

This is the fourth report in FY 2020/2021 and presents information on budget performance by the departments in the period July 2020 to June 2021. Information on budget performance is presented on aggregate and on individual department performance. The report also includes performance trends, which present a useful trajectory of revenue and expenditure performance.

The report provides details about revenue, expenditure, and capital projects. Reporting is also done on key targets and indicators from the approved supplementary budget.

The budget implementation was slow with zero development and recurrent activities undertaken in the first quarter. An improved performance was, however, reported in the subsequent quarters for both the development and recurrent programmes. There are several factors that were responsible for the slow implementation of the County programs mostly as a result of delay in the release of funds from the National Treasury. With the above challenge having been addressed, the budget implementation is expected to be smooth in the first quarter of the impending FY 2021/2022. I urge the departments to move with speed in putting up mechanisms to accelerate the implementation of programmes especially for development projects in the first quarter of the forthcoming FY 2021/2022.

I also urge stakeholders to actively scrutinize this report in order to take necessary action towards enhancement of transparency and accountability in the management of public resources as enshrined in the constitution and PFM Act, 2012. This will go a long way in providing feedback towards efficient and effective service delivery and attainment of the County Government's objectives.

**Sulekha H. Harun**

**County Executive Member for Finance and Economic Planning**

## **1.0 Introduction**

This Budget Implementation Report is prepared in conformity with Article 228(6) of the Constitution of Kenya, 2010 and Section 39(8) of the Public Finance Management Act, 2012's requirement that counties report on the implementation progress of their budgets. It covers the period July 2020 to June 2021.

The report presents revenue and expenditure performance by the County Government. Revenue is disintegrated by source while expenditure is analyzed by economic classification. It also highlights the County government's activities for the period under review and seeks to objectively review budget implementation in the county by highlighting performance of revenues, transfers received from the National Government and actual expenditure. Key issues that affect budget implementation during the financial year are identified and appropriate recommendations made on how the issues can be addressed to enhance efficiency and effectiveness in budget execution.

Compiled by the Mandera County Treasury after consultation with all the County departments, the report presents the status of budget execution as at 30<sup>th</sup> June 2021 for internal consumption and performance appraisal purposes. It also offers valuable information to members of the public on budget implementation and the County Assembly, which is bestowed, with the oversight mandate on utilization of public funds.

### **1.1 Fiscal Outlook**

The fiscal assumption underlying the FY 2019/2020 budget is that there would be improved revenue collection from local sources and timely release of funds by the National Treasury.

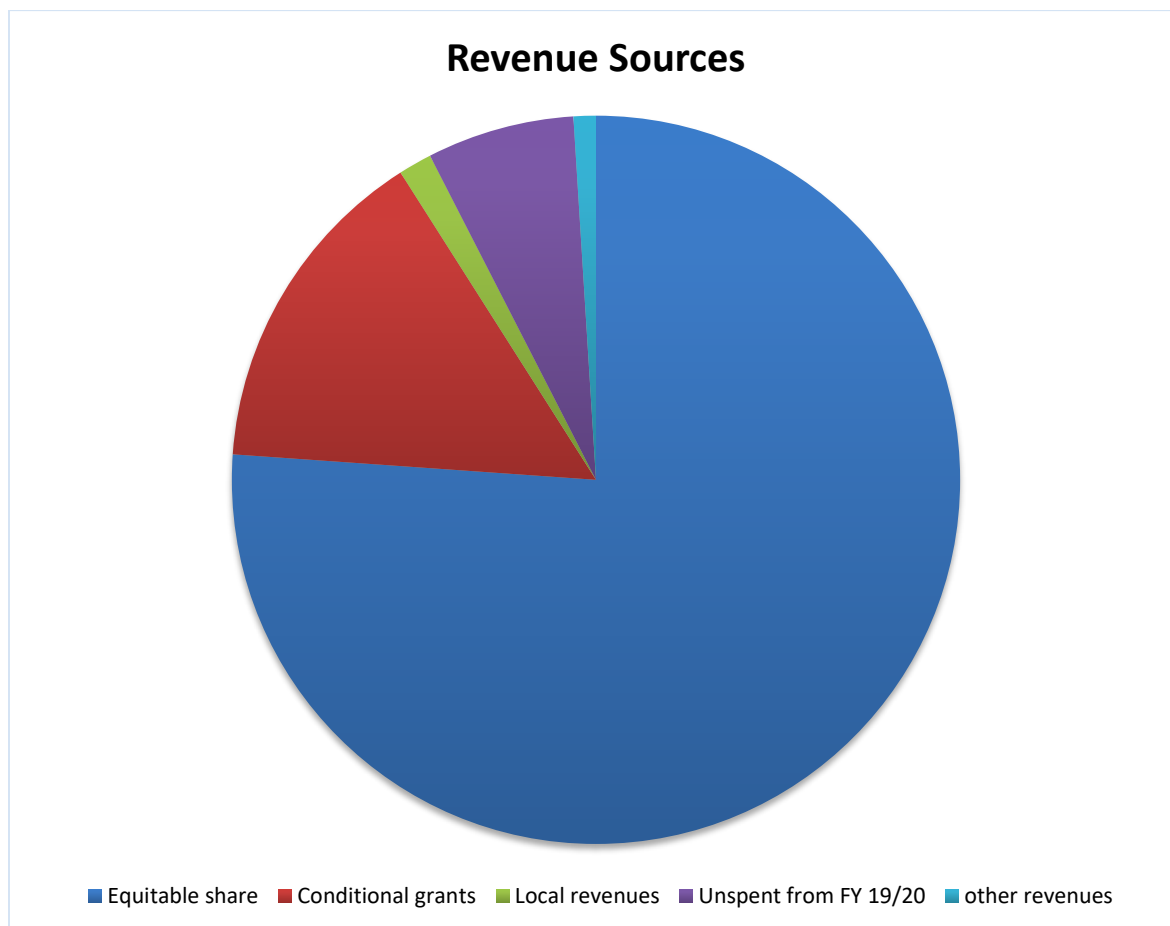
## **2.0 Financial Analysis of County Budget Implementation**

The County had an approved supplementary budget of Kshs. 13,211,360,847 which comprised of Kshs. 7,573,664,620 (57%) for recurrent expenditure and Kshs. 5,637,696,228 (43%) allocation for development expenditure.

## 2.1 Budget Components

In order to finance the budget, the County expected to receive Kshs.10.22 billion (76.8 per cent) as the equitable share of revenue raised nationally, Kshs.2.01 billion (15.1 per cent) as total conditional grants, generate Kshs.200.04 million (1.5 percent) from own sources of revenue, and a cash balance of Kshs.883.76 million (6.6 per cent) from FY 2019/20. The County also expects to receive Kshs.134.47 million (1 per cent) as “other revenues” not contained in the CARA, 2020. Other revenues consist of Kshs.91.32 million grants for COVID-19 from National Government, Kshs.11.31 million grants for COVID-19 from DANIDA and Kshs.31.85 million allowances for frontline healthcare workers as approved by Salaries and Remuneration Commission (SRC).

**Figure 1: Expected Sources of Budget Financing in FY 2020/2021**



*Source: County Treasury, Mandera County Government*

The major source of revenue for the County was national sharable revenue making up 77%. Total conditional CARA allocations made up 15% of the budget while the County's annual local revenue was expected to finance only 2% of the budget.

**Table 1: Budget Components**

The table summarizes county revenues for FY 2020/2021 budget

<b>REVENUE SUMMARY 2020/2021 FY</b>		<b>2019/2020</b>	<b>2020/2021 Approved</b>
<b>Funding Types</b>	<b>Revenue summary By Sources</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Equitable Sharable Revenue</b>	Equitable share of Revenue	10,222,950,000	10,222,950,000
<b>Own Source Revenue</b>	Local Revenue Collections	183,559,629	200,037,792
<b>Unutilized Exchequer from 2018/2019 FY</b>	On-Going Development Projects funds b/f from 2017/2018 - 2021/2020	1,210,949,522	883,762,901
	2019/2020 FY Projects that could not be implemented	163,769,117	-
<b>Conditional Grant by National Government Institutions</b>	Road Maintenance Fuel Levy (Conditional Grant)	290,185,219	304,694,480
	Road Maintenance Fuel Levy (Conditional Grant) B/F from 19/20 - Fund Released		160,026,064
	Development of youth Polytechnics	22,113,298	15,049,894
	Sweden -Agricultural Sector Development Support Program (ASDSP) II - Co Funding	-	2,500,000
	Grant of Kshs 5 billion for Covid-19 Responses among the 47 Counties – Mandera Share	-	91,323,000
	Medical Staff Allowances	-	31,845,000
	Foregone user fees in Health Facilities in rural Area (Conditional Grant)	25,474,920	25,474,920

<b>Conditional Grants - Development Partners</b>	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health	65,351,998	144,609,161
	Danida Funding for Health sector - Transforming Health care - Universal Health	30,281,250	29,070,000
	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health 2017/2018 - Amount in SPA	-	9,604,002
	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health b/f 2018/2019. Amount not yet released	-	14,826,792
	Kenya Devolution support Program (KDSP) B/F (from 17/2018) - Amount n SPA		4,295,329
	Danida Funding for Health sector - Transforming Health care - Universal Health - Covid - 19 Support	-	11,305,000
	Kenya Devolution Support Program - Level I	30,000,000	45,000,000
	Kenya Devolution Support Program b/f	235,542,828	
	Kenya Devolution Support Program for 2018/2019 funds to be released in 2020/2021	58,673,488	58,673,488
	Kenya Urban Development Support Program	175,819,500	175,819,500
	Kenya Urban Institutional grant	8,800,000	
	Kenya Climate smart Agriculture Project (NEDI)	200,000,000	324,000,000



Sweden -Agricultural Sector Development Support Program (ASDSP) II	22,822,072	14,548,048
Kenya Climate Smart Agriculture Project (NEDI) - Conditional Grant B/F - amount yet to be released		49,173,647
Agricultural Sector Development Support Program (ASDSP) (Conditional Grant) B/F - Amount in SPA		6,387,012
Kenya Devolution Support Program b/f - Amount in SPA - Malbe and Lafey Hospital		84,075,528
Kenya Devolution Support Program		143,000,000
Kenya Urban Development Support Program b/f from 2019/2020 (50,066,573 not Released while 79,242,718 not yet released)		129,309,291
Kenya Devolution Support Program - Level I b/f from 2019/2020		30,000,000
Kenya Urban and Institutional Grant b/f	41,200,000	
<b>TOTAL</b>	<b>13,118,313,035</b>	<b>13,211,360,847</b>

Source: County Treasury, Mandera County Government

## 2.2 Revenue Performance Analysis

During the FY 2020/2021, the County received Kshs. 10,222,950,000 as equitable share of revenue raised nationally, raised Kshs. 143,313,898 from own source revenue, and had a cash balance of Kshs. 883,762,901 from FY 2019/2020. The County also received Kshs. 1,057,040,126 as conditional grant funds during the reporting period. The total funds available for budget implementation amounted to Kshs. 12,302,477,724.

## 2.3 Own Source Revenue Performance

The County Government targeted to collect Kshs. 200,037,792 from local sources during the FY 2020/2021. The actual achievement in the period was Kshs. 143,313,898 which translates to 72% of the targeted collection. This represented an increase from Kshs. 124,961,836 generated in the FY 2019/2020. This amount also represented an increase of Kshs. 19 million compared to that realized in the FY 2019/2020. It also represented the highest collection over the period from FY 2013/14 – 2020/2021. However, the generated revenue was 28% off target (Ksh. 56,723,894).

**Table 2: Total Local Revenue Collections for the FY 2020/2021**

The table below summarizes comparisons between actual local revenue collections in the FY 2020/2021 and what was realized for the year under review.

### **FY 2020/2021 TOTAL COUNTY OWN SOURCE GENERATED RECEIPTS**

<b>OSR collections as at June 30, 2021</b>	<b>2019/20 FY Revenue Perf – Actual</b>	<b>2020/21 FY Revenue Perf – Actual</b>
<b>Sub-Revenue Source</b>	<b>Kshs.</b>	<b>Kshs.</b>
Land rents	33,999,995	32,613,102
Plot Transfers/Sub-Divisions/Application Fees	11,795,148	14,536,900
Building plan	-	1,123,800
Miraa Movements	6,843,700	12,641,585
Single Business Permit	12,043,890	13,755,110
Markets stalls	3,700,870	6,698,907
Market Gates	308,250	240,371
Market Shades	1,075,480	1,694,100
Bus park/Taxis/Parking	725,469	1,279,574
Income from Quarries/Natural Resources	611,840	1,018,687
Barriers	5,809,701	4,603,919
Livestock Market Auction	2,395,975	3,986,140
Livestock Movement	4,931,720	4,487,777
Slaughter fees and Charges	6,771,711	6,446,830
Produce Cess	411,624	1,301,157
Agriculture Mechanization/Hire of Equipment	623,000	444,000

Income from Sale of Tenders documents	689,500	530,000
Rental income	-	1,609,950
Tender	3,201,008	1,715,000
Public Health	1,635,770	1,659,041
Hospital collection	21,577,484	28,024,398
Income from Water Management	5,809,701	2,903,550
<b>Grand Total</b>	<b>124,961,836</b>	<b>143,313,898</b>

*Source: Department of revenue services, Mandera County Government*

### **Table 3: Monthly OSR Performance per Stream**

In the period under review, the County's top performing streams included Land rates, Hospital collections, Land Transfers, Single Business Permits, Miraa Movements, Market stalls, Slaughter fees charges, and barriers. Notable nosedive in revenue collection was on income from sale of Tender documents, Agriculture Mechanization Services and market gates. The monthly collection breakdown is shown in table that follows.

MANDERA COUNTY GOVERNMENT OWN SOURCE REVENUE COLLECTION REPORT FOR THE FINANCIAL YEAR 2020/2021															
Sub-Revenue Source	2019/20 FY Revenue Perf - Actual	Target 2020/2021	Jul-20	Aug-20	Sep-20	October	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Actual collection As at 30th June, 2021 FY 2020/21
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Land rents	33,999,995	47,399,995	3,369,000	3,486,650	3,657,600	3,235,820	1,708,410	2,625,900	2,412,820	2,181,680	2,126,120	2,193,651	1,850,551	3,764,900	32,613,102
Plot Transfers/Sub-Divisions/ Application Fees	11,795,148	27,692,722	1,325,000	1,462,000	1,319,000	781,950	1,676,950	1,096,000	855,000	762,500	1,439,500	1,243,000	868,500	1,707,500	14,536,900
Building plan	-	-	175,500	55,000	399,300	36,000	32,000	36,000	42,000	40,000	68,000	131,000	44,000	65,000	1,123,800
Miraa Movements	6,843,700	7,263,768	978,000	988,000	958,000	962,000	951,000	1,071,000	1,244,700	1,149,000	1,021,210	1,021,850	1,000,400	1,296,425	12,641,585
Single Business Permit	12,043,890	23,084,457	1,258,700	1,413,200	683,900	232,000	57,000	148,500	1,645,900	2,912,100	2,817,810	1,114,900	508,600	962,500	13,755,110
Markets stalls	3,700,870	6,257,201	292,800	441,100	1,257,100	596,800	624,757	567,300	457,100	448,300	575,300	256,100	542,700	639,550	6,698,907
Market Gates	308,250	734,936	9,410	-	-	-	19,110	34,560	52,450	23,070	20,200	45,920	18,788	16,863	240,371
Market Shades	1,075,480	3,536,802	132,800	104,600	110,900	-	174,800	162,000	120,000	120,000	212,000	182,000	250,000	125,000	1,694,100
Buspark/Taxis/Parking	725,469	1,150,000	54,275	44,200	82,950	111,800	56,200	137,850	104,650	115,650	142,160	100,539	164,650	164,650	1,279,574
Income from Quarries/Natural Resources	611,840	805,000	63,200	48,700	52,200	63,280	38,100	141,569	56,030	21,000	98,350	68,700	171,008	196,550	1,018,687
Barriers	5,809,701	8,317,387	431,660	429,280	362,000	330,950	497,582	478,383	331,692	325,520	460,282	259,469	321,651	375,450	4,603,919
Livestock Market Auction	2,395,975	4,180,908	386,400	317,200	325,400	362,510	428,650	424,550	348,550	272,630	267,700	236,600	330,200	285,750	3,986,140
Livestock Movement	4,931,720	7,885,796	681,050	503,500	276,550	235,600	302,280	406,000	431,750	347,247	175,670	166,205	367,300	594,625	4,487,777
Slaughter fees and Charges	6,771,711	9,716,214	575,500	524,600	523,480	575,300	558,250	603,900	497,100	367,000	508,000	567,900	592,800	553,000	6,446,830
Produce Cess	411,624	635,704	174,000	90,800	108,888	113,000	21,500	61,625	147,360	160,150	167,590	82,244	98,350	75,650	1,301,157
Agriculture Mechanization/Hire of Equipments	623,000	1,380,000	14,000	-	132,000	-	3,000	18,000	-	-	127,000	43,000	42,000	65,000	444,000
Income from Sale of Tenders documents	689,500	837,765	-	-	-	-	-	-	-	-	-	-	-	530,000	530,000
Rental income	-	-	-	-	-	-	169,150	190,000	190,000	183,000	183,000	454,200	240,600	-	1,609,950
Tender	3,201,008	5,448,082	-	-	-	-	-	-	-	-	-	60,000	-	1,655,000	1,715,000
Public Health	1,635,770	3,900,150	224,808	190,450	117,800	7,000	9,800	7,000	194,300	495,400	193,000	101,000	35,383	83,100	1,659,041
Hospital collection	21,577,484	30,892,981	1,943,566	2,011,340	2,550,768	2,805,270	2,653,450	2,822,939	2,685,724	2,386,340	2,409,500	1,715,042	1,847,215	2,193,244	28,024,398
Income from Water Management	5,809,701	8,917,923	277,250	282,800	401,000	222,000	208,500	180,000	185,000	270,000	395,600	175,000	172,500	133,900	2,903,550
<b>Grand Total</b>	<b>124,961,836</b>	<b>200,037,792</b>	<b>12,366,919</b>	<b>12,393,420</b>	<b>13,318,836</b>	<b>10,671,280</b>	<b>10,190,489</b>	<b>11,213,076</b>	<b>12,002,126</b>	<b>12,580,587</b>	<b>13,407,992</b>	<b>10,218,320</b>	<b>9,467,196</b>	<b>15,483,657</b>	<b>143,313,898</b>

*Source: Department of Revenue Services, Mandera County Government*

The highest County OSR collection was realized in the month of June 2021 amounting to Kshs. 15,483,657, while the least collection was in the month of May 2021 amounting to Kshs. 9,467,196.

## 2.4 Exchequer Issues

The Controller of Budget approved withdrawal of Kshs. 10,222,950,000 from the County Revenue Fund (CRF) account, which was 100% of the approved allocations. This amount represented a decrease of 9% from Kshs. 9,343,776,300 received in the FY 2019/20 and was meant to fund both development and recurrent expenditures.

## 2.4 Conditional Grants

The County received Kshs. 1,057,040,126 as Conditional Grants. This comprised of Kshs. 29,070,000 from DANIDA Funding for Health sector, Kshs. 144,346,590 from World Bank – THUSCP, Kshs. 25,474,920 from Abolishment of user fees in health centres and dispensaries (Ministry of Health), Kshs. 186,844,646 from Kenya Devolution Support Program, Kshs. 238,632,573 from Kenya Climate Smart Agriculture Project (KCSAP), Kshs. 96,377,846 from Kenya Urban Support Programme and Kshs. 15,049,894 from Youth Polytechnics Support Allocation. Transfers of Kshs. 304,694,480 and Kshs. 16,549,177 were received for Fuel Levy Fund (State Department of Infrastructure) and Agriculture Sector Development Support Project (ASDSP) respectively.

**Table 4: Revenue Performance by Source (July 2020- June 2021)**

No	Revenue Stream	FY2020/2021 Annual Targeted Revenue (Kshs.)	FY 2020/2021 Actual Revenue (Kshs.)	Variance (Kshs.)	Percentage
		A	B	C=A-B	
1	Equitable share of Revenue	10,222,950,000	10,222,950,000	-	0%
2	Local Revenue Collections	200,037,792	143,313,898	56,723,894	28%
3	On-Going Development Projects funds b/f from 2017/2018 - 2021/2020	883,762,901	879,173,700	4,589,201	1%
5	Road Maintenance Fuel Levy	304,694,480	304,694,480	-	0%

	(Conditional Grant)				
6	Road Maintenance Fuel Levy (Conditional Grant) B/F from 19/20 - Fund Released	160,026,064	-	160,026,064	100%
7	Development of youth Polytechnics	15,049,894	15,049,894	-	0%
8	Sweden - Agricultural Sector Development Support Program (ASDSP) II - Co Funding	2,500,000	2,000,000	500,000	20%
9	Grant of Kshs 5 billion for Covid- 19 Responses among the 47 Counties – Mandera Share	91,323,000	-	91,323,000	100%
10	Medical Staff Allowances	31,845,000	-	31,845,000	100%
11	Foregone user fees in Health Facilities in rural Area (Conditional Grant)	25,474,920	25,474,920	-	0%
12	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health	144,609,161	144,346,590	262,571	0%
13	DANIDA Funding for Health sector - Transforming Health care -	29,070,000	29,070,000	-	0%

	Universal Health				
14	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health 2017/2018 - Amount in SPA	9,604,002	-	9,604,002	100%
15	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health b/f 2018/2019. Amount not yet released	14,826,792	-	14,826,792	100%
16	Kenya Devolution support Program (KDSP) B/F (from 17/2018) - Amount in SPA	4,295,329	-	4,295,329	100%
17	DANIDA Funding for Health sector - Transforming Health care - Universal Health – Covid-19 Support	11,305,000	-	11,305,000	100%
18	Kenya Devolution Support Program - Level I	45,000,000	45,000,000	-	0%
19	Kenya Devolution Support Program for 2018/2019	58,673,488	-	58,673,488	100%

	funds to be released in 2020/2021				
20	Kenya Urban Development Support Program	175,819,500	46,311,274	129,508,226	74%
21	Kenya Climate smart Agriculture Project (NEDI)	324,000,000	238,632,573	85,367,427	26%
22	Sweden - Agricultural Sector Development Support Program (ASDSP) II	14,548,048	14,549,177	- 1,129	0%
23	Kenya Climate Smart Agriculture Project (NEDI) - Conditional Grant B/F - amount yet to be released	49,173,647	-	49,173,647	100%
24	Agricultural Sector Development Support Program (ASDSP) (Conditional Grant) B/F - Amount in SPA	6,387,012	-	6,387,012	100%
25	Kenya Devolution Support Program b/f - Amount in SPA - Malbe and Lafey Hospital	84,075,528	-	84,075,528	100%
26	Kenya Devolution Support Program	143,000,000	141,844,646	1,155,354	1%
27	Kenya Urban Development Support	129,309,291	50,066,573	79,242,718	61%



	Program b/f from 2019/2020 (50,066,573 not Released while 79,242,718 not yet released)				
28	Kenya Devolution Support Program - Level I b/f from 2019/2020	30,000,000	-	30,000,000	100%
	<b>Grand Total</b>	<b>13,211,360,847.44</b>	<b>12,302,477,724.25</b>	<b>908,883,123.19</b>	<b>7%</b>

*Source: County Treasury, Mandera County Government*

By the end of June 2021, some of the projected revenues had been achieved with the exception of own Source revenues, Kenya Urban Development Support Program and Kenya Climate Smart Agriculture Project (NEDI).

An analysis of the table indicates that the County generated a total of Kshs. 143.31 million from own revenue sources in FY 2020/2021 deviating from the budgeted amount by 28%. This amount, however, represented an increase of Kshs. 18.35 million compared to that realized in FY 2019/2020. The slight improvement in internal revenue is attributed to strict oversight, County Revenue Department director's recruitment and strengthening of the revenue department.

During the reporting period, receipts for equitable share grant was fully realized while Kenya Urban Development Support Program had 76% deviations from target. Kenya Climate Smart Agriculture Project (NEDI) also had marginally over 26% deviations from the targets. These sources of revenue performed below expectations and hence have impacted negatively on the budget implementation process.

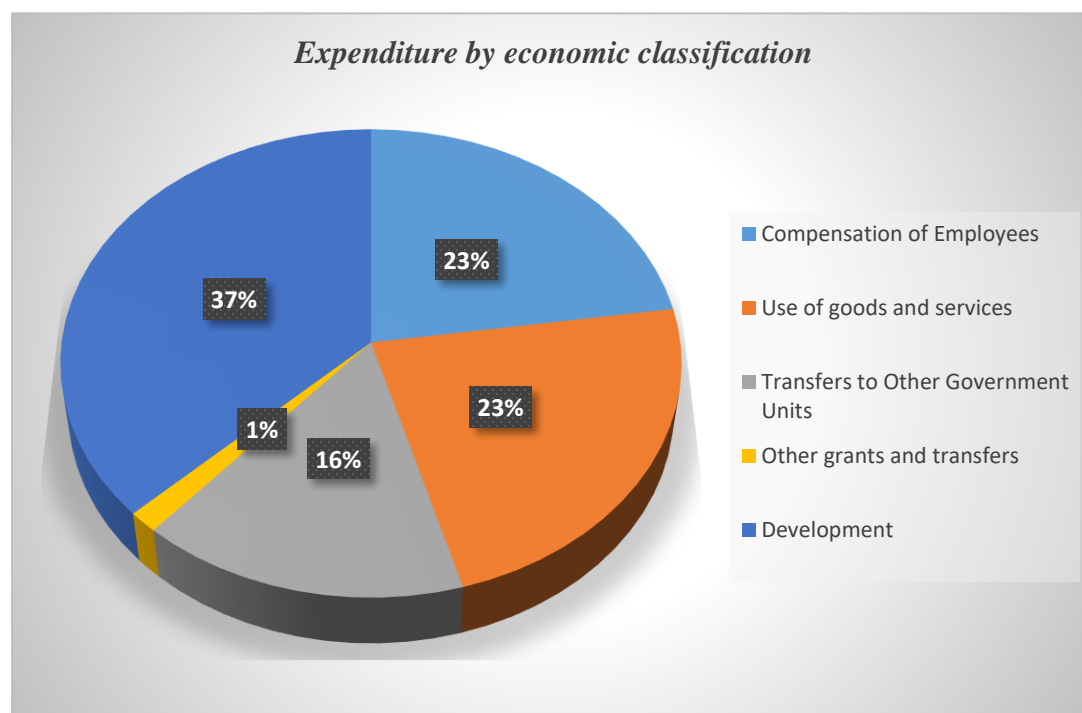
### 3.0 Overall Expenditure Analysis

The overall county expenditure for the period ending 30<sup>th</sup> June, 2021 amounted to Kshs 11,677,472,719 out of which Kshs. 2,680,906,021 was for Operations & Maintenance and Kshs. 2,646,264,831 was for Personnel Emoluments. Transfers amounting to Kshs. 1,841,423,281 were

made to the County entities. This comprised of transfer of Kshs. 803,919,523 and Kshs. 249,000,000 to the County Assembly and Mandera Water and Sewerage Company respectively for their operations while Mandera Municipality received Kshs. 341,000,000 for the same. Transfers to KCSAP and ASDSP were Kshs. 72,635,290 and Kshs. 22,049,177 respectively. Transfers of Kshs. 30,091,788 to Vocational Training Centres, Kshs. 96,190,410 to Hospitals, Dispensary and CHMT, and Kshs. 91,323,000 to Ministry of health Covid-19 funds were also made. ELWASCO and Elwak Municipality received Kshs. 74,100,000 and Kshs. 61,114,093 respectively. Expenditures amounting to Kshs. 4,435,868,920 were utilized on development programmes. This represents an overall absorption rate of 88% against the FY 2020/2021 approved supplementary budget.

### 3.1 Expenditure by Economic Classification

Out of the total expenditures, the expenditures on salaries amounted to 23%, whereas the use of goods expenditures and transfers to other county entities amounted to 23% and 165 respectively. A total of Kshs. 4,435,868,920 was incurred on development expenditures during the period.



**Figure 2: Expenditure by Economic Classification**

From the analysis of the above figure, expenditures on development projects had the highest utilization at 37% while expenditures on Personnel Emoluments amounted for 23% of the total expenditure. Expenditure of 1% on other grants and transfers were incurred on scholarships and other educational benefits and emergency relief and refugee assistance. Transfers to other County entities was at 23%.

## 3.2 Budget and Budget Performance by County Departments

### 3.2.1 Budget estimates

The County Government's mandate as stipulated by the Constitution of Kenya is discharged by Departments through implementation of projects and programs. These projects and programs are allocated funds through County Budgeting process. In the FY 2020/2021 the County Departments were funded in line with the ceilings captured in the 2020 County Fiscal Strategy Paper drawn to champion key priority programmes highlighted in the second Mandera County Integrated Development Plan (2018-2022).

Table 5 shows the breakdown of county's budget per ministry in FY 2020/2021.

**Table 5: Resource allocation among the ministries**

SUMMARY OF APPROVED SUPPLEMENTARY BUDGET FOR FY 2020/2021				
Departments	Recurrent (Kshs)	Development (Kshs)	Final Allocation (Kshs)	%
Ministry of Agriculture Livestock and Fisheries	252,636,058.91	846,287,062.78	1,098,923,121.69	9%
Ministry of Education, Culture and Sports	316,864,180.45	325,603,708.00	642,467,888.45	5%
Ministry of Gender, Youth and Social Service	81,131,629.65	126,507,348.00	207,638,977.65	1%
Ministry of Finance	599,927,603.31	36,825,600.00	636,753,203.31	5%
Ministry of Health Services	2,014,520,853.04	766,561,360.08	2,781,082,213.12	22%
Ministry of Trade, Investments Industrializations and Cooperative Development	55,369,440.86	95,957,580.50	151,327,021.36	1%

County Assembly	755,834,897.00	221,218,667.00	977,053,564.00	8%
Lands, Housing and Physical Planning	485,652,595.62	167,821,407.95	653,474,003.57	4%
Office of the Governor and Deputy Governor	466,713,497.80	-	466,713,497.80	4%
County Public Service Board	70,079,319.49	12,000,000.00	82,079,319.49	1%
Ministry of Public Service, Management and Devolved Unit	1,425,748,931.70	111,371,471.40	1,537,120,403.10	11%
Public Works Roads and Transport	143,737,399.33	1,293,661,970.86	1,437,399,370.19	11%
Ministry of Water, Environment and Natural Resources	893,278,212.49	1,646,050,051.21	2,539,328,263.70	18%
<b>GRAND TOTAL</b>	<b>7,561,494,619.66</b>	<b>5,649,866,227.78</b>	<b>13,211,360,847.44</b>	<b>100%</b>

The highest beneficiary of the FY 2020/2021 budget allocation was the Ministry of Health Services getting Kshs 2,781,082,213.12 (22 percent), Ministry of Water, Environment and Natural Resources getting Kshs 2,539,328,263.70 (18 percent), Ministry of Public Service, Management and Devolved Unit got Kshs. 1,537,120,403.10 (11 percent) Ministry of Public Works Roads and Transport were allocated Kshs 1,437,399,370.19 (11 percent) while the Ministry of Agriculture Livestock and Fisheries and the County Assembly got Kshs. 1,098,923,121.69 (9 percent) and Kshs. 977,053,564.00 (8%) respectively. Other departments were allocated below 5 percent.

### 3.2.2 Departmental Expenditure Analysis

During the period under review, the county Government incurred expenditures totaling to Kshs. 11,676,235,615.35 on both development and recurrent activities. This absorption accounted for 88% of the total approved supplementary budget.

Ministry/Sector	Approved Budget Kshs)	Actual Recurrent Expenditure (Kshs)	Actual Development Expenditure (Kshs)	Total Expenditure
County Assembly	977,053,564.00	699,437,011.50	104,482,511.65	803,919,523.15
Ministry of Agriculture, Livestock and Fisheries	1,098,923,121.69	251,136,064.40	543,230,898.60	794,366,963.00

Ministry of Education, Culture and Sports	642,467,888.45	313,071,597.43	270,754,189.00	583,825,786.43
Ministry of Gender, Youth and Social Services	207,638,977.65	81,131,629.10	107,007,348.00	188,138,977.10
Ministry of Finance & Economic Planning and ICT	636,753,203.31	599,927,603.39	15,825,600.00	615,753,203.39
Ministry of Health Services	2,781,082,213.12	1,975,975,173.86	549,145,457.32	2,525,120,631.18
Ministry of Trade, Investments, Industrialisation , and Cooperative Development	151,327,021.36	55,369,440.00	72,257,580.50	127,627,020.50
Lands, Housing Developments and Physical Planning	653,474,003.57	485,652,193.30	148,610,874.45	634,263,067.75
Office of the Governor and Deputy Governor	466,713,497.80	454,228,580.89	-	454,228,580.89
County Public Service Board	82,079,319.49	68,949,070.55	2,000,000.00	70,949,070.55
Ministry of Public Service Management and Devolved Units	1,537,120,403.10	1,225,495,475.02	111,371,471.40	1,336,866,946.42
Public Works Roads and Transport	1,437,399,370.19	141,040,491.39	927,817,368.82	1,068,857,860.21
Ministry of Water, Energy, Environment, Natural Resources Tourism and Wildlife	2,539,328,263.70	888,952,364.52	1,583,365,620.26	2,472,317,984.78
<b>Grand Total</b>	<b>13,211,360,847.44</b>	<b>7,240,366,695.35</b>	<b>4,435,868,920.00</b>	<b>11,676,235,615.35</b>

Source: County Treasury, Mandera County Government

### 3.2.2.1 Development expenditure performance by departments

The overall performance for the county's development budget stands at 79%. In the FY 2020/2021, the County's gross development budget was Kshs. 5,649,866,228. An expenditure of Kshs. 4,435,868,920.00 representing 79% of the development vote was utilized during the financial year. Only one Ministry was able to exhaust its entire development vote. The Ministry of Public Service Management and Devolved Units recorded the highest overall absorption rate at 100% followed by the Ministry of Water, Energy, Environment, Natural Resources Tourism and Wildlife at 96%. The Ministry of Lands, Housing Developments and Physical Planning and the Ministry of Gender, Youth and Social Services recorded the third and fourth highest absorption rates at 89% and 85% respectively. Three Ministries recorded an absorption below 50%. The County Public Service Board was the worst performer recording only 17%. The Ministry of Finance & Economic Planning and ICT and the County Assembly recorded slightly better at 43% and 47% respectively. The following factors were responsible for low absorption rate;

- Slow and cumbersome tendering process throughout the period
- Technical and capacity challenges in application of IFMIS
- Delays in approval of request for funds by office of controller of budget

The table 7 analyses development expenditure performance by ministries

Ministry/Sector	FY 2020/2021 Approved Budget (Kshs)	FY 2020/2021 Actual Expenditure (Kshs)	%
County Assembly	221,218,667.00	104,482,511.65	47%
Ministry of Agriculture, Livestock and Fisheries	846,287,062.78	543,230,898.60	64%
Ministry of Education, Culture and Sports	325,603,708.00	270,754,189.00	83%
Ministry of Gender, Youth and Social Services	126,507,348.00	107,007,348.00	85%
Ministry of Finance & Economic Planning and ICT	36,825,600.00	15,825,600.00	43%
Ministry of Health Services	766,561,360.08	549,145,457.32	72%
Ministry of Trade, Investments, Industrialization, and Cooperative Development	95,957,580.50	72,257,580.50	75%
Lands, Housing Developments and Physical Planning	167,821,407.95	148,610,874.45	89%
County Public Service Board	12,000,000.00	2,000,000.00	17%

Ministry of Public Service Management and Devolved Units	111,371,471.40	111,371,471.40	100%
Public Works Roads and Transport	1,293,661,970.86	927,817,368.82	72%
Ministry of Water, Energy, Environment, Natural Resources Tourism and Wildlife	1,646,050,051.21	1,583,365,620.26	96%
<b>Grand Total</b>	<b>5,649,866,227.78</b>	<b>4,435,868,920.00</b>	<b>79%</b>

*Source: County Treasury, Mandera County Government*

### **3.2.2.2 Recurrent expenditure performance by departments**

The County performed well in the execution of the recurrent budget for the FY 2020/2021. The County had a total recurrent budget of Kshs. 7,561,494,620. Except the Ministry of Public Service Management and Devolved Units and the County Assembly, all other Ministries were able to absorb above 97% of their recurrent budget within the financial year. Five Ministries recorded the highest overall absorption rate at 100%. These included the Ministry of Lands, Housing Developments, and Physical Planning, the Ministry of Water, Energy, Environment, Natural Resources Tourism, the Ministry of Trade, Investments, Industrialization, and Cooperative Development, the Ministry of Finance & Economic Planning and ICT and Ministry of Gender, Youth and Social Services. These were followed by the Ministry of Agriculture, Livestock and Fisheries and the Ministry of Education, Culture and Sports which recorded an absorption rate of 99%. The Ministry of Water, Energy, Environment, Natural Resources Tourism and Wildlife, the Ministry of Health Services and the County Public Service board recorded an absorption rates at 98% each.

The County Assembly and the Ministry of Public Service Management and Devolved Units were the lowest spenders of recurrent budget in the year at an absorption rate of 93% and 86% respectively.

Overall, the recurrent vote performed better than the development vote.

The following factors were responsible for low absorption rate;

- Technical and capacity challenges in application of IFMIS
- Delays in approval of request for funds by office of controller of budget
- Slow release of funds from national treasury
- The adverse effects of the coronavirus pandemic

The table 8 analyses recurrent expenditure performance by ministries.

Ministry/Sector	FY 2020/2021 Approved Budget Kshs)	FY 2020/2021 Actual Expenditure (Kshs)	%
County Assembly	755,834,897.00	699,437,011.50	93%
Ministry of Agriculture, Livestock and Fisheries	252,636,058.91	251,136,064.40	99%
Ministry of Education, Culture and Sports	316,864,180.45	313,071,597.43	99%
Ministry of Gender, Youth and Social Services	81,131,629.65	81,131,629.10	100%
Ministry of Finance & Economic Planning and ICT	599,927,603.31	599,927,603.39	100%
Ministry of Health Services	2,014,520,853.04	1,975,975,173.86	98%
Ministry of Trade, Investments, Industrialization, and Cooperative Development	55,369,440.86	55,369,440.00	100%
Lands, Housing Developments and Physical Planning	485,652,595.62	485,652,193.30	100%
Office of the Governor and Deputy Governor	466,713,497.80	454,228,580.89	97%
County Public Service Board	70,079,319.49	68,949,070.55	98%
Ministry of Public Service Management and Devolved Units	1,425,748,931.70	1,225,495,475.02	86%
Public Works Roads and Transport	143,737,399.33	141,040,491.39	98%
Ministry of Water, Energy, Environment, Natural Resources Tourism and Wildlife	893,278,212.49	888,952,364.52	100%
<b>Grand Total</b>	<b>7,561,494,619.66</b>	<b>7,240,366,695.35</b>	<b>96%</b>

Source: County Treasury, Mandera County Government

### 3.3 Budget Execution by Programmes and Sub-Programmes

Table 9 shows a summary of the budget execution by programmes and sub-programmes between July 2019 to June 2020 of FY 2019/20.

Program	Sub Program	Approved Budget	Actual Payments	Variance
<b>P1: Agricultural and Livestock Sector Support</b>	SP1: Agricultural Infrastructure, Conservation and Research	662,990,420.00	454,351,367.50	208,639,052.50
	SP2: Livestock Agricultural Sector Support	227,154,333.00	200,882,692.00	26,271,641.00
	<b>Sub-Total</b>	<b>890,144,753.00</b>	<b>655,234,059.50</b>	<b>234,910,693.50</b>
<b>P2: Legislation and Oversight Services</b>	SP1: County Assembly Administration offices	221,218,668.00	104,482,511.65	116,736,156.35
	<b>Sub-Total</b>	<b>221,218,668.00</b>	<b>104,482,511.65</b>	<b>116,736,156.35</b>
<b>P3: Cooperatives Development Programmes</b>	SP1: Cooperatives Agricultural Support	11,100,000.00	11,000,000.00	100,000.00



	<b>Sub-Total</b>	<b>11,100,000.00</b>	<b>11,000,000.00</b>	<b>100,000.00</b>
<b>P4: Trade Development</b>	SP1: Trade development &Promotion	140,227,023.00	116,699,347.25	23,527,675.75
	<b>Sub-Total</b>	<b>140,227,023.00</b>	<b>116,699,347.25</b>	<b>23,527,675.75</b>
<b>P5: Youth Rehabilitation and Development</b>	SP1: Youth Development Programmes and Policy	124,007,348.00	106,887,327.00	17,120,021.00
	<b>Sub-Total</b>	<b>124,007,348.00</b>	<b>106,887,327.00</b>	<b>17,120,021.00</b>
<b>P6: Physical Infrastructure Development</b>	SP1: Infrastructure Development and Expansion	111,371,471.00	110,287,521.50	1,083,949.50
	SP2: Infrastructure & Equipment	165,821,408.00	152,423,544.50	13,397,863.50
	SP3: Infrastructure Development and Expansion	1,306,861,971.00	1,005,247,686.40	301,614,284.60
	SP4: Infrastructure Construction, Expansion and Maintenance	756,961,360.00	604,544,349.00	152,417,011.00
	<b>Sub-Total</b>	<b>2,341,016,210.00</b>	<b>1,872,503,101.40</b>	<b>468,513,108.60</b>
<b>P7: Administration, Planning and Support Services</b>	SP1: General Administration & Support Services	2,335,185,042.00	2,334,032,398.90	1,152,643.10
	SP2: General Administration & Support Services	839,268,373.00	839,268,373.00	0.00
	<b>Sub-Total</b>	<b>3,174,453,415.00</b>	<b>3,173,300,771.90</b>	<b>1,152,643.10</b>
<b>P8: ECDE and Sports Development Services</b>	SP1: ECDE Infrastructure.	307,703,708.00	287,891,435.00	19,812,273.00
	<b>Sub-Total</b>	<b>307,703,708.00</b>	<b>287,891,435.00</b>	<b>19,812,273.00</b>
<b>P9: Financial Services</b>	SP1: Procurement Services	36,825,600.00	20,324,928.00	16,500,672.00
	<b>Sub-Total</b>	<b>36,825,600.00</b>	<b>20,324,928.00</b>	<b>16,500,672.00</b>
<b>P10: Administration and Compensation</b>	SP1: Administration and Support Services	163,210,955.00	149,932,686.65	13,278,268.35
	SP2: Administration Services	3,251,224,934.00	2,757,701,820.75	493,523,113.25
	<b>Sub-Total</b>	<b>3,414,435,889.00</b>	<b>2,907,634,507.40</b>	<b>506,801,381.60</b>
<b>P11: Water Provision Services</b>	SP1: Water Storage Structures	1,485,476,271.00	1,378,781,760.80	106,694,510.20
	SP2: Water provision services	832,468,862.00	827,315,439.95	5,153,422.05
	<b>Sub-Total</b>	<b>2,317,945,133.00</b>	<b>2,206,097,200.75</b>	<b>111,847,932.25</b>
<b>P12: Solar Energy and Environmental Services</b>	SP1: Street lighting	166,103,780.00	157,651,085.50	8,452,694.50
	SP2: Environmental Protection	66,179,350.00	57,766,443.25	8,412,906.75
	<b>Sub-Total</b>	<b>232,283,130.00</b>	<b>215,417,528.75</b>	<b>16,865,601.25</b>
	<b>Grand Total</b>	<b>13,211,360,877.00</b>	<b>11,677,472,718.60</b>	<b>1,533,888,158.40</b>

Source: County Treasury, Mandera County Government

The programmes that performed well based on expenditure absorption were Administration, Planning and Support Services at 100%, Cooperatives Development Programmes at 99%, Water Provision Services at 99%, Solar Energy and Environmental Services at 95% and ECDE and Sports Development Services at 94% of budget allocation while Financial Services and Legislation and Oversight Services performed poorly at 55% and 47% respectively.

### 3.4 MAJOR PROJECTS UNDERTAKEN DURING THE PERIOD

The following table shows the list of development Projects with the highest expenditure undertaken in the FY 2020/2021.

S/N o.	Project Name	Department	Location of the Project	Annual Budget Allocation (Kshs.)	Exchequer Issues (Kshs.)	Actual Expenditure (Kshs.)	Absorption (%)
1	Drilling And Equipping Of New Boreholes Throughout The County	Water	Mandera	135,000,000	135,000,000	135,000,000.00	100%
2	Under Provision For Mandera Teachers Training College	Education	Mandera East	125,500,000	125,500,000	125,500,000.00	100%
3	On-Going Construction Of The Regional Livestock Market	Livestock	Mdr East	120,002,155	99,841,670	99,841,670.00	83%
4	Proposed Completion Of Governor'S Residence	Public Works	Mandera East	81,120,492	81,120,492	81,120,492.00	100%
5	Proposed Erection And Completion Of Modern Slaughter House (Phase 2) In Mandera East Sub County	Livestock	Mdr East	67,446,320		67,446,319.88	100%
6	Maintenance And Expansion Of Solar Street	Water	Mandera East	65,983,242	65,983,242	65,983,241.70	100%

	Lights, Security High Mast						
7	Supply, Delivery And Installation Of Boreholes Maintenance And Materials	Water	Mandera	55,000,000	55,000,000	55,000,000.00	100%
8	Construction Of Kutulo (Malbe) Water Pan Irrigation Projects	Irrigation	Kutulo	52,092,828		52,000,000.00	100%
9	Construction Of Water And Sewerage Infrastructure At Mchr	Water	Mandera East	51,180,917	51,180,917	51,180,916.88	100%
10	Proposed Construction Of 50No Vulnerable Housing Unit And Toilets Lot1 In Mandera County	Gender And Social Services	Mandera East	51,000,000	51,000,000	51,000,000.00	100%
11	Kenya Urban Development Support Program B/F From 2019/2020 (Conditional Grant)	Lands	Mandera	129,309,291	50,066,573	50,066,572.70	39%
12	Construction Of Box Culvert/Celled Drifts On Khalalio Road At Hareri (Rmlf)	Roads & Transport	Mandera North	40,000,000	40,000,000	40,000,000.00	100%
13	Construction Of Dandu - Ires Teno - Gagaba - Sake - Rmlf	Roads & Transport	Mandera West	40,000,000	40,000,000	40,000,000.00	100%
14	Final Balance For County Hotel - Rest House	Public Works	Mandera East	40,645,500	40,000,000	40,000,000.00	98%
15	Kutulo-Kutayu Road-Rmlf	Roads & Transport	Mandera South	49,000,000	39,759,000	39,759,000.00	81%

16	Solar Street Lighting - Elwak	Water	Elwak Sub-County	39,327,845	39,327,845	39,327,844.50	100%
17	Light Grading And Gravelling Of Road At Khalafow Village	Roads & Transport	Banissa	39,320,000	39,000,000	39,000,000.00	99%
18	Construction Of Murutho, - Malka Mari Road Rmlf	Roads & Transport	Banissa	40,000,000	38,818,008	38,818,008.00	97%
19	Construction Of Asahbito - Shirshir - Gofa Road-Rmlf	Roads & Transport	Mandera North	41,000,000	35,171,200	35,171,200.00	86%
20	Proposed Water Supply For Koromey Farms Irrigation Infrastructure	Irrigation	Mdr East	108,000,000		35,000,000.00	32%
21	Under Provision Of Banisa Dam Expansion	Water	Banissa	31,576,452	31,576,452	31,576,452.00	100%
22	Construction Of Bur John - Malka Mari Road - Rmlf	Roads & Transport	Banissa	30,000,000	29,773,836	29,773,836.00	99%
23	Construction Of Box Culvert On Takaba-Banisa Road In Mandera West	Roads & Transport	Mandera West	27,535,592	27,535,592	27,535,592.00	100%
24	Security Wall And Fencing Of Government Offices	Public Works	Mandera East	26,500,000	26,500,000	26,500,000.00	100%
25	Drilling And Equipping Of Ashabito Borehole, Ires Suki, Omar Jilaow And Libhiya Borehole	Water	Mandera North	26,040,159	26,040,159	26,040,159.00	100%
26	Construction Of Rhamu Sub County Head Quarterts	Public Service And Devolved Units	Mandera North Subcount y	25,000,000	25,000,000	25,000,000.00	100%

27	Oprning Of Access Road In Neboi, Barwaqo, Tawakal And Shafshafey-Rmlf	Roads & Transport	Mandera East	24,694,480	24,694,480	24,694,480.00	100%
28	Proposed Construction Of Deputy Governor'S Residence	Public Works	Mandera East	41,385,495	24,000,000	24,000,000.00	58%
29	Proposed Chainlink Fencing And Gate House	Public Service And Devolved Units	Kutulo Subcount y Headquart er	23,103,200	23,103,200	23,103,200.00	100%
30	Electricity Connection To The New County Government Installation	Water	Mandera East	22,692,694	22,692,694	22,692,694.00	100%
31	Construction Of Borehole 11, Falama - El Ram Road-Rmlf	Roads & Transport	Mandera South	40,000,000	39,769,846	19,884,000.00	50%
32	Construction Of 30,000M3 Gagaba Earth Pan	Water	Mandera West	19,300,000	19,300,000	19,300,000.00	100%
33	Construction Of 60,000M3 Earth Pan At Gagaba	Water	Mandera	19,300,000	19,300,000	19,300,000.00	100%
34	Construction Of Box Culvert On Khalilio Road In Mandera East	Roads & Transport	Mandera East	19,157,736	19,157,736	19,157,736.00	100%
35	Under Provision For Kutayu - Boji Garse Road	Roads & Transport	Mandera South	19,000,000	19,000,000	19,000,000.00	100%
36	Purcshase Of 1 Crane For Municipality Owned Bohole	Water	Mandera	18,000,000	18,000,000	18,000,000.00	100%
37	Solar Installation For Municipality And Madawasco	Water	Mandera East	18,000,000	18,000,000	18,000,000.00	100%

38	Provision For Repair And Rehabilitation Services For Gensets, Boreholes, Purchase And Delivery Of Spare Parts And Maintenance Of Water Facilities	Water	Mandera	17,400,000	17,400,000	17,400,000.00	100%
39	Construction Of 60,000M3 Laaga Dusota Earth Pan	Water	Mandera West	31,000,000	16,000,000	16,000,000.00	52%
40	Construction Of 60,000M3 Earth Pan Laaga Duusoota	Water	Mandera West	16,000,000	16,000,000	16,000,000.00	100%
41	Proposed Paved Parking And Drainage System At Elwak Smes Market	Trade	Elwak Sub-County	15,620,137	15,620,137	15,620,137.20	100%
42	Proposed Construction Of 15No Vulnerable Housing Unit And Toilets Lot2 In Mandera County	Gender And Social Services	Mandera East	15,300,000	15,300,000	15,300,000.00	100%
43	Proposed Construction Of 15No Vulnerable Housing Unit And Toilets Lot3 In Mandera County	Gender And Social Services	Mandera East	15,300,000	15,300,000	15,300,000.00	100%
44	Under Provision For Kutulo Market	Trade	Kutulo Sub-County	15,081,360	15,081,360	15,081,360.30	100%
45	Development Of Youth Polytechnics (Conditional Grant)	Education	Mandera	15,049,894	15,049,894	15,049,894.00	100%

46	Proposed Fencing Of Bp1 And Kamor Cemetery In Mandera East Sub-County	Public Service And Devolved Units	Mandera East	15,000,000	15,000,000	15,000,000.00	100%
47	Proposed Construction Of 60,000M3 Earthpan At Kopi	Water	Mandera West	15,000,000	15,000,000	15,000,000.00	100%
48	Expansion And Reconstruction Of Slaughter House In Elwak	Livestock	Elwak	15,000,000		15,000,000.00	100%
49	Re-Channelling Of Lag Warera Seasonal River, Gabions In Takaba	Roads & Transport	Mandera West	15,000,000	15,000,000	15,000,000.00	100%
50	Construction Of 60,000M3 Earth Pan At Kopi	Water	Mandera	15,000,000	15,000,000	15,000,000.00	100%
51	Final Balance For County Hq	Public Works	Mandera East	13,500,000	13,500,000	13,500,000.00	100%
52	Proposed Construction Market In Gither	Trade	Gither, Takaba Sub-County	15,000,000	13,500,000	13,500,000.00	90%
53	Solar Street Lighting At Lagsure	Water	Mandera West	12,100,000	12,100,000	12,100,000.00	100%
54	Repair Works In Elwak Water Compound, Operationalization Works Of Elwak Soft Water Projects And Installation Of 16 Cwps.	Water	Elwak Sub-County	12,098,750	12,098,750	12,098,750.00	100%
55	Sala Farms Agricultural Improvement	Agriculture	Mdr East	17,000,000		12,000,000.00	71%
56	Construction Of 10000M3 Qorgowla Earthpan	Water	Mandera	12,000,000	12,000,000	12,000,000.00	100%

57	20,000M3 Earth Pan At Dambala Gale In Banisa Sub- County	Water	Banissa	11,500,000	11,500,000	11,500,000.00	100%
58	Construction Of Koticha Tiyale Earth Pan 10,000M3	Water	Mandera	11,000,000	11,000,000	11,000,000.00	100%
59	Completion Of Esp Market Mandera Town	Trade	Mandera East	10,800,000	10,800,000	10,800,000.00	100%

*Source: County Treasury, Mandera County Government*



#### **4.0 IMPLEMENTATION CHALLENGES, LESSONS LEARNT AND WAY FORWARD**

The county experienced several challenges that affected budget implementation during the financial year 2020/2021. These are:

##### **Slow release of funds from national treasury**

The delay in disbursement of funds from the National Treasury was a major hindrance to the implementation of County Programmes. This affected implementation of development activities. This delay led to non-absorption of the development budget during the first quarter of FY 2020/2021 and under-absorption in the other three quarters.

##### **IFMIS connectivity challenges**

Frequent IFMIS breakdowns slowed down the county's ability to absorb funds in a timely manner. It decelerated the approval of procurement requests and led to delays in payments to suppliers.

##### **Natural Calamities**

The Coronavirus pandemic, locust invasions, persistent drought, floods and other calamities that lead to deviation of resources and affected smooth implementation of the planned programmes in the budget.

##### **High public expectation**

Increased public awareness about their rights through public participation and community engagement programmes has seen an increase in agitation for better service delivery.

##### **Under-performance of own revenue collection**

This was due to, amongst other reasons shortage of staff. The department of revenue services which are tasked with local revenue collection and administration was critically understaffed. Insecurity in the region also affected collections of revenues greatly. The low performance should be addressed to facilitate full implementation of the planned activities.

## **5.0 RECOMMENDATIONS**

The County has made progress in addressing some of the challenges previously identified as affecting budget implementation. The following are lessons learnt to be replicated in future budget implementations:

- The County Government should always involve other PFM stakeholders to settle the budget impasse so as to ensure timely preparation and approval of the key budget planning documents.
- The County Government should liaise and cooperate with the National Government for timely release of funds as per disbursement schedule to foster smooth operations and successful project implementations.
- The County Government should also liaise with the Controller of Budget to avoid limitations in expenditure to ensure proper implementation of planned projects.
- The County should reduce instances of pending bills by ensuring that all bills outstanding are paid within the Financial Year.
- The County should come up with measures to address underperformance in own source revenue collection so as to ensure the approved budget is fully financed.
- Departments should capacity build their human capital so as to increase their efficiency and productivity.
- Civic education- building the capacities for communities to understand the roles played by both the National and County Government to avoid scenarios where the residents demand the County Government starts planning and financing of functions under the National Government or vice versa.
- Preach peace to all political leaders and champion unity of purpose