

REPUBLIC OF KENYA



MANDERA COUNTY GOVERNMENT

COUNTY TREASURY

BUDGET IMPLEMENTATION STATUS REPORT

**FULL YEAR REPORT
FY 2022/2023**

JULY, 2023

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 fourth quarter of the Financial Year (FY) 2022/2023. 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 2022/2023 and presents information on budget performance by the departments in the period July 2022 to June 2023. 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 but recorded an improved performance from the second quarter and by the end of June 2023, expenditure on both the development and recurrent programmes represented 86% of the County's approved budget. 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 and approval of Fund Requests by Office of the Controller of Budget. With the above challenge having been addressed, the budget implementation is expected to be smooth in the first quarter of the FY 2023/2024. I urge the departments to move with speed in putting up measures to hasten the implementation of programmes especially for the development projects.

I also urge all our 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.

Ibrahim Mohamed Adan

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 2022 to June 2023.

The report presents revenue and expenditure performance by the Mandera 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 30th June 2023 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 2022/2023 budget is that there would be improved revenue collection from local sources and timely release of funds by the National Treasury.

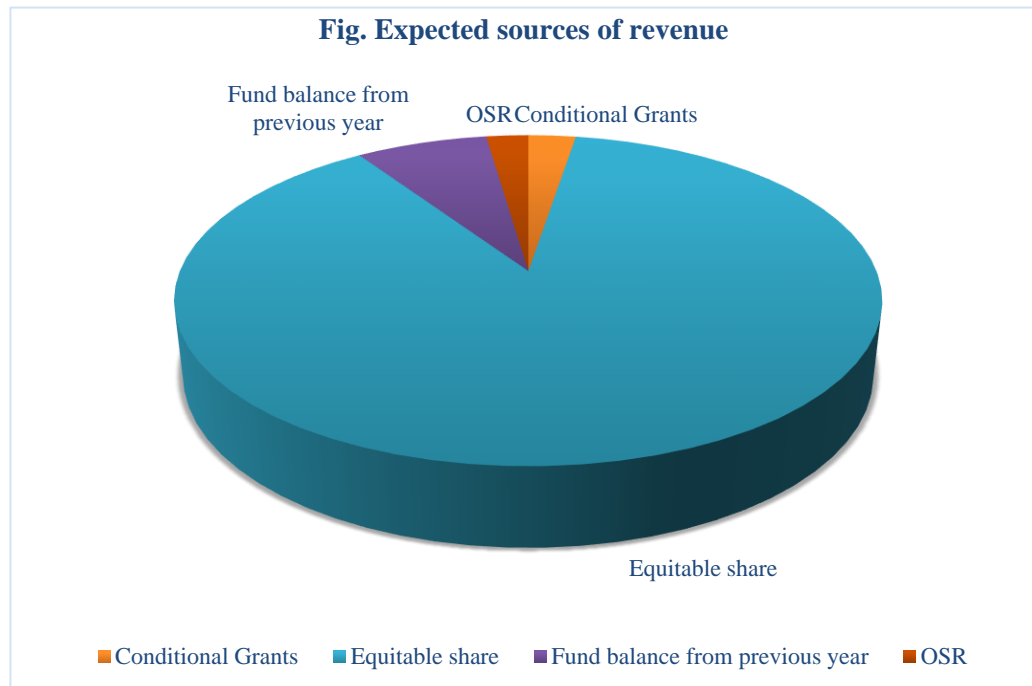
2.0 Financial Analysis of County Budget Implementation

The County had an approved budget of Kshs. 12,713,843,988 which comprised of Kshs. 8,427,761,140 (66%) for recurrent expenditure and Kshs. 4,286,082,848 (34%) allocation for development expenditure.

2.1 Budget Components

In order to finance the budget, the County expected to receive Kshs. 11,190,382,598 (96 percent) as the equitable share of revenue raised nationally, generate Kshs. 290,436,786 (2 percent) from own sources of revenue, receive Kshs. 326,178,972 from various conditional grants, and had a balance (ongoing projects) of Kshs. 906,845,632 (2 percent) from FY 2021/2022.

Figure 1: Expected Sources of Budget Financing in FY 2022/2023



Source: County Treasury, Mandera County Government

The major source of revenue for the County was national sharable revenue making up 88%. Total conditional CARA allocations was 3% and unspent balances made up 7% 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 2022/2023 budget

REVENUE SUMMARY 2023/2024 FY	SUPPLEMENTARY 2022/2023	Percentage
Revenue summary By Sources	Kshs	%
Equitable share of Revenue	11,190,382,598.00	88%
Local Revenue Collections	290,436,786.00	2%
On-Going Projects funds b/f from 2021/2022	906,845,632.35	7%

World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health	54,721,395.00	0%
DANIDA Funding for Health sector - Transforming Health care - Universal Health	32,885,438.00	0%
Kenya Climate smart Agriculture Project (NEDI)	81,191,951.00	1%
Sweden -Agricultural Sector Development Support Program (ASDSP) II	20,314,865.00	0%
World Bank Emergency locust response Project (ELRP)	91,274,250.00	1%
Kenya urban Support Grant	2,339,914.88	0%
FLOCCA County Climate Institutional Support Grant	22,000,000.00	0%
Kenya Urban and Institutional Grant b/f	21,451,158.00	0%
TOTAL	12,713,843,988	100%

Source: County Treasury, Mandera County Government

2.2 Revenue Performance Analysis

During the FY 2022/2023, the County received Kshs. 11,190,382,598 as equitable share of revenue raised nationally and raised Kshs. 122,528,934 from own source revenue. The County also had a cash balance of Kshs. 906,845,632 from FY 2021/2022 and received various conditional grants amounting to Kshs. 311,677,895.

2.3 Own Source Revenue Performance

The County Government targeted to collect Kshs. 290,436,786 from local sources during the FY 2022/2023. The actual achievement in the full year of the FY 2022/2023 was Kshs. 122,528,934 which translates to 42% of the targeted collection. This is a decrease from Kshs. 132,899,851 which was collected in the FY 2021/2022.

Table 2: Total Local Revenue Collections for the Fourth Quarter of FY 2022/2023

The table below summarizes comparisons between targeted actual local revenue collections in the FY 2022/2023 and what was realized for the period under review.

FY 2022/2023 TOTAL FOURTH QUARTER COUNTY OWN SOURCE REVENUE COLLECTION



Revenue Sources	Target 2022/2023	Total Collection (July 2022-June 2023)
Land rents	61,322,582	28,419,681
Plot Transfers/Sub-Divisions/Application Fees	45,387,098	13,094,172

Building plan	3,890,323	2,918,138
Miraa Movements	22,220,274	6,858,891
Single Business Permit	30,406,690	11,724,802
Markets stalls	11,410,930	5,716,950
Market Shades	4,079,175	1,540,810
Market Gates/Cess	1,997,486	103,255
Buspark/Taxis/Parking	2,648,891	1,558,605
Income from Quarries	1,885,001	999,000
Barriers	9,149,000	4,383,293
Livestock Markets Auction	6,027,839	3,542,076
Livestock Movement	10,715,864	5,738,240
Slaughter fees and Charges	12,016,877	6,027,354
Produce Cess	3,341,661	1,142,019
Agriculture Mechanization/Hire of Equipment	1,596,761	60,000
Income from Sale of Tenders documents	942,528	482,400
Rental income	1,226,610	1,459,000
Tender Fees	2,943,864	263,800
Public Health	5,298,068	394,122
Hospital collection	44,691,704	25,340,525
Income from Water Management	7,237,562	761,800
Grand Total	290,436,786	122,528,934

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 Hospital collection Land rents, Plot Transfers/Sub-Divisions/Application Fees, Single Business Permit, Miraa Movements, Slaughter fees and Charges, Markets stalls, Livestock Movement, Barriers, and Building plan. The worst performing streams were Agriculture Mechanization/Hire of Equipment, Public Health, Market Gates/Cess, Tender, and Income from Quarries. The monthly collection breakdown is shown in table that follows.

<div>  <div>MANDERA COUNTY GOVERNMENT</div>  </div>														
OWN SOURCE REVENUE COLLECTION														
OWN SOURCE REVENUE COLLECTION FY 2022/2023														
Revenue Sources	Target	2022 July	August	September	October	November	December	January	February	March	April	May	June	Total
Land rents	61,322,582	775,556	806,951	1,799,500	2,073,300	850,000	517,500	2,475,620	3,166,600	2,699,294	4,292,576	6,577,785	2,385,000	28,419,681
Plot Transfers/Sub-D	45,387,098	814,000	805,000	1,549,917	1,188,655	695,000	270,000	1,956,600	1,536,000	1,390,000	780,000	1,000,000	1,109,000	13,094,172
Building plan	3,890,323	24,000	31,000	36,000	48,000	60,000	60,000	505,749	114,000	1,699,389	61,000	211,000	68,000	2,918,138
Miraa Movements	22,220,274	571,000	676,000	776,800	450,000	495,000	700,000	664,000	540,000	392,000	179,290	664,801	750,000	6,858,891
Single Business Perm	30,406,690	420,500	84,000	269,700	60,900	113,800	8,000	2,196,301	4,786,600	1,094,301	205,100	2,130,400	355,200	11,724,802
Markets stalls	11,410,930	857,950	400,800	521,400	433,200	411,000	224,600	524,800	351,400	463,100	391,600	650,800	486,300	5,716,950
Market Shades	4,079,175			135,000	215,400	185,800	173,200	162,500	185,500	102,200		209,000	172,210	1,540,810
Market Gates/Cess	1,997,486	8,360	710	12,490	12,940		1,000	5,700	19,700	4,500	10,500		27,355	103,255
Buspark/Taxis/Park	2,648,891	69,750	60,950	122,100	123,700	144,050	123,700	152,660	115,650	107,950	108,150	267,195	162,750	1,558,605
Income from Quarries	1,885,001	20,000	31,000	42,050	66,100	64,200	92,250	36,100	84,200	22,000	62,350	144,900	333,850	999,000
Barriers	9,149,000	343,862	281,300	237,480	259,400	282,790	301,980	486,802	340,493	202,600	182,550	407,395	1,056,641	4,383,293
Livestock Markets At	6,027,839	190,750	73,050	85,110	93,480	169,110	493,050	271,101	288,700	240,200	234,200	628,370	774,955	3,542,076
Livestock Movement	10,715,864	300,850	243,700	179,400	197,680	340,108	1,009,750	637,952	550,800	498,250	426,400	573,200	780,150	5,738,240
Slaughter fees and C	12,016,877	415,380	473,300	467,540	521,900	505,980	556,050	507,760	475,150	498,100	507,400	598,400	500,394	6,027,354
Produce Cess	3,341,661	53,199	44,520	101,150	81,790	53,000	46,800	91,050	113,470	51,250	43,000	197,690	265,100	1,142,019
Agriculture Mechaniz	1,596,761	-	-	-	-	-	-	-	-	-	-	-	60,000	60,000
Income from Sale of	942,528	-	-	-	-	261,900	136,700	-	83,800	-	-	-	-	482,400
Rental income	1,226,610	129,100	-	-	-	366,900	155,000	-	135,200	342,100	-	260,400	70,300	1,459,000
Tender Fees	2,943,864	-	-	-	182,200	81,600	-	-	-	-	-	-	-	263,800
Public Health	5,298,068	17,400	1,200	1,900	-	10,000	-	125,112	143,210	29,900	-	15,100	50,300	394,122
Hospital collection	44,691,704	2,453,553	2,445,147	1,458,100	1,999,768	1,998,840	1,608,555	2,488,056	2,100,400	2,025,330	1,542,220	2,510,283	2,710,273	25,340,525
Income from Water M	7,237,562	76,900	118,500	106,000	38,000	88,000	60,500	97,800	101,000	20,000		8,000	47,100	761,800
Grand Total	290,436,786	7,542,110	6,577,128	7,901,637	8,046,413	7,177,078	6,538,635	13,385,663	15,231,873	11,882,464	9,026,336	17,054,719	12,164,878	122,528,934

Source: Department of Revenue Services, Mandera County Government

From the above analysis, the highest County Own Source Revenue collection was realized in the month of May amounting to Kshs. 17,054,719 followed by February 2023 amounting to Kshs. 15,231,873 and the month of January 2023 in which Kshs. 13,385,663 was collected while the least collection was in the month of March 2023 amounting to Kshs. 6,942,490.

The following challenges were encountered in the local revenue collections:

- Insecurity due to terror attacks affected revenue collection activities
- Drought affected collection of livestock and agricultural related revenues
- Border closures due to the general insecurity in the region
- General tough economic conditions
- Border closures

2.4 Exchequer Issues

The Controller of Budget approved withdrawal of Kshs. 11,190,382,598 from the County Revenue Fund (CRF) account, which was 100% of the approved allocations and was meant to fund both development and recurrent expenditures.

2.4 Conditional Grants

The County received Kshs. 311,677,895 as Conditional Grants in the reporting period.

Table 4: Revenue Performance by Source (July 2022- June 2023)

No	Revenue Stream	Annual Targeted Revenue (Kshs.)	Actual Revenue (Kshs.)	Variance (Kshs.)
		A	B	C=A-B
1	Equitable share of Revenue	11,190,382,598	11,190,382,598	-
2	Local Revenue Collections	290,436,786	122,528,934	167,907,852
3	On-Going Projects funds b/f from 2021/2022	906,845,632	906,845,632	-
4	Sweden - Agricultural Sector Development	20,314,865	8,024,024	12,290,841

	Support Program (ASDSP) II - Co Funding			
5	World Bank/Japan Funding for Health sector - Transforming Health care - Universal Health	54,721,395	54,721,395	-
6	Danida Funding for Health sector - Primary Health care - Universal Health	32,885,438	32,885,438	-
7	Kenya Climate smart Agriculture Project (NEDI)	81,191,951	81,191,951	-
8	World Bank Emergency locust response Project(ENRP)	91,274,250	89,064,015	2,210,235
10	FLLoCA	22,000,000	22,000,000	-
11	Kenya urban and Institutional Grant KUSP	2,339,915	2,339,914	1
12	Kenya Urban and Institutional Grant b/f	21,451,158	21,451,158	-
	TOTAL	12,713,843,988	12,531,435,059	182,408,929

Source: County Treasury, Mandera County Government

An analysis of the table indicates that the County generated a total of Kshs. 122,528,934 from own revenue sources in the FY 2022/2023. This amount represented a decrease of Kshs. 10,370,917.28 compared to Kshs. 132,899,851 realized in the FY 2021/2022.

3.0 Overall Expenditure Analysis

The overall Mandera County Government's expenditure for the period ending 30th June, 2023 amounted to Kshs. 11,998,757,706 out of which Kshs. 2,768,653,191 was for Operations & Maintenance and Kshs. 4,573,918,579 was for Personnel Emoluments. Transfers amounting to Kshs. 1,001,845,462 were made to the County entities. Expenditures amounting to Kshs. 3,654,340,474 were utilized on development programmes.

3.1 Expenditure by Economic Classification

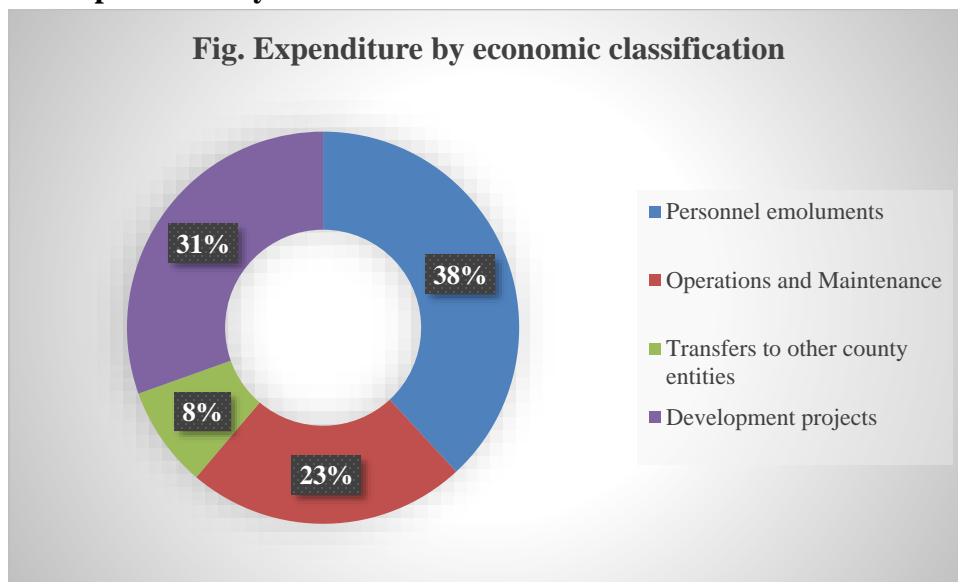


Figure 2: Expenditure by Economic Classification

From the analysis of the above figure, expenditures on Personnel Emoluments had the highest utilization at 38% of the total expenditure incurred in the FY 2022/2023 while expenditures on operations and maintenance accounted for 23% of the total expenditure. Expenditure of 31% was incurred on development programmes while Transfers to County Entities accounted for 8% of the total overall expenditure.

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 2022/2023 the County Departments were funded in line with the ceilings captured in the 2022 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 2022/2023.

Table 5: Resource allocation among the ministries

SUMMARY OF BUDGET FOR FY 2022/2023			
Departments	Recurrent (Kshs)	Development (Kshs)	Total Budget (Kshs)
County Assembly	943,795,562	218,548,145	1,162,343,707
Agriculture Livestock and Fisheries	309,563,721	451,804,433	761,368,154
Education, Culture and Sports	788,224,398	197,417,921	985,642,319
Gender, Youth and Social Service	596,935,261	38,744,700	635,679,961
Finance	376,504,748	61,780,000	438,284,748
Health Services	2,404,613,192	436,174,104	2,840,787,296
Trade, Industrializations and Cooperative Development	56,988,085	28,092,667	85,080,752
Lands, Housing and Physical Planning	84,123,797	526,851,158	610,974,955
Office of the Governor	461,069,123	-	461,069,123
County Public Service Board	69,534,470	17,800,000	87,334,470
Public Service Management and Devolved Unit	1,773,042,099	45,793,535	1,818,835,634
Public Works Roads and Transport	182,185,635	739,311,146	921,496,781
Water, Environment and Natural Resources	381,181,049	1,523,765,038	1,904,946,087
TOTAL	8,427,761,140	4,286,082,848	12,713,843,988

The highest beneficiary of the FY 2022/2023 budget allocation was the Ministry of Health Services getting Kshs 2,840,787,296 (22 percent), Ministry of Water, Environment and Natural Resources getting Kshs 1,904,946,087 (15 percent), Ministry of Public Service, Management and Devolved Unit got Kshs. 1,818,835,634 (14 percent), County Assembly got Kshs. 1,162,343,707 (9 percent), Ministry of Education were allocated Kshs 985,642,319 (8 percent), while the Ministry of Public Works, Roads and Transport got Kshs. 921,496,781 (7 percent). 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. 11,998,757,706 on both development and recurrent activities. This absorption accounted for 94% of the total approved budget.

Departments	Budgeted Amount (Kshs)	Recurrent Expenditure	Development Expenditure	Total Budget (Kshs)
County Assembly	1,162,343,707	887,185,466	40,136,937	1,202,480,644
Agriculture Livestock and Fisheries	761,368,154	307,519,158	384,340,339	1,145,708,493
Education, Culture and Sports	985,642,319	787,099,360	116,417,885	1,102,060,204
Gender, Youth and Social Service	635,679,961	596,385,016	38,744,700	674,424,661
Finance	438,284,748	376,233,725	55,100,000	493,384,748
Health Services	2,840,787,296	2,309,271,323	402,510,069	3,243,297,365
Trade, Industrializations and Cooperative Development	85,080,752	53,935,312	9,387,547	94,468,300
Lands, Housing and Physical Planning	610,974,955	82,622,523	522,276,690	1,133,251,645
Office of the Governor	461,069,123	452,928,615	-	461,069,123
County Public Service Board	87,334,470	69,522,112	17,800,000	119,328,005
Public Service Management and Devolved Unit	1,818,835,634	1,770,682,948	31,993,535	2,458,760,116
Public Works Roads and Transport	921,496,781	181,643,409	639,924,482	1,561,421,263
Water, Environment and Natural Resources	1,904,946,087	379,018,594	1,486,077,960	3,391,024,047
TOTAL	12,713,843,988	8,254,047,561	3,744,710,145	11,998,757,706

Source: County Treasury, Mandera County Government

3.2.2.1 Development expenditure performance by departments

In the FY 2022/2023, the County's gross development budget was Kshs. 4,286,082,848. An expenditure of Kshs. 3,744,710,145 representing 87% of the development vote was utilized during the financial year. Only two Ministries were able to incur expenditure of 100%. These were the County Public Service Board, and the Ministry of Gender, Youth and Social Services. These were followed by the Ministry of Land, Housing and Physical Planning, the Ministry of Water, Environment and Natural Resources, and the Ministry of Finance and Economic planning which recorded 99%, 98%, and 89% respectively. The worst performers were the Ministry of Trade,

Investments Industrializations and Cooperative Development, and the Ministry of Education, Culture and Sports which had an absorption rate of 27%, and 59% respectively.

The following factors were responsible for low absorption rate;

- Delays in approval of request for funds by office of controller of budget
- Late releases of the exchequer by the National Treasury
- Natural calamities e.g. persistent drought in the County
- Litigation related challenges
- General insecurity problems from Al-Shabaab terrorists

The table 7 analyses development expenditure performance by ministries

Departments	Development (Kshs)	Development Expenditure	%
County Assembly	218,548,145	40,136,937	18%
Agriculture Livestock and Fisheries	451,804,433	384,340,339	85%
Education, Culture and Sports	197,417,921	116,417,885	59%
Gender, Youth and Social Service	38,744,700	38,744,700	100%
Finance	61,780,000	55,100,000	89%
Health Services	436,174,104	402,510,069	92%
Trade, Industrializations and Cooperative Development	28,092,667	9,387,547	33%
Lands, Housing and Physical Planning	526,851,158	522,276,690	99%
Office of the Governor	-	-	0%
County Public Service Board	17,800,000	17,800,000	100%
Public Service Management and Devolved Unit	45,793,535	31,993,535	70%
Public Works Roads and Transport	739,311,146	639,924,482	87%
Water, Environment and Natural Resources	1,523,765,038	1,486,077,960	98%
TOTAL	4,286,082,848	3,744,710,145	87%

Source: County Treasury, Mandera County Government

3.2.2.2 Recurrent expenditure performance by departments

In comparison to the development vote, the County performed well in the execution of the recurrent budget in the FY 2022/2023. The County had a total recurrent budget of Kshs. 8,427,761,140. An expenditure of Kshs. 8,254,047,561 representing 98% of the recurrent vote was utilized during the period under review. Six Ministries recorded an absorption rate of 100% in their expenditure. These included the Ministry of Education, Culture and Sports, the Ministry of Gender, Youth and Social Service, the Ministry of Finance and Economic Planning, the County Public Service Board, the Ministry of Public Service Management and Devolved Unit, and the Ministry of Public Works Roads and Transport. These were followed by the Ministry of Water, Environment and Natural Resources which recorded an absorption rate at 99% followed by the Ministry of Lands, Housing and Physical Planning, and Office of the Governor and Deputy Governor at 98% each. The Ministry of Trade, Industrializations and Cooperative Development, was the lowest spender of the recurrent budget during the period at an absorption rate of 95%. Overall, the recurrent vote performed better than the development vote.

The following factors were responsible for the low absorption rate during the period;

- Slow release of funds from national treasury
- Delays in approval of request for funds
- Technical and capacity challenges in application of IFMIS
- Litigation issues that delayed the swearing in of the county chief officers into office
- Other expenditure pressures

The table 8 analyses recurrent expenditure performance by ministries.

Departments	Recurrent (Kshs)	Recurrent Expenditure	%
County Assembly	943,795,562	887,185,466	94%
Agriculture Livestock and Fisheries	309,563,721	307,519,158	99%
Education, Culture and Sports	788,224,398	787,099,360	100%
Gender, Youth and Social Service	596,935,261	596,385,016	100%
Finance	376,504,748	376,233,725	100%
Health Services	2,404,613,192	2,309,271,323	96%

Trade, Industrializations and Cooperative Development	56,988,085	53,935,312	95%
Lands, Housing and Physical Planning	84,123,797	82,622,523	98%
Office of the Governor	461,069,123	452,928,615	98%
County Public Service Board	69,534,470	69,522,112	100%
Public Service Management and Devolved Unit	1,773,042,099	1,770,682,948	100%
Public Works Roads and Transport	182,185,635	181,643,409	100%
Water, Environment and Natural Resources	381,181,049	379,018,594	99%
TOTAL	8,427,761,140	8,254,047,561	98%

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 2022 to June 2023 of the FY 2022/2023.

Programme	Sub-Programme	Description	Approved Estimates FY 2022/23 (Kshs.)	Actual Expenditure (Kshs.)	Variance (Kshs.)	Absortion Rate (% Total Expenditure to Approved Estimates)
			A	B	C=A-B	D=B/A*100
Agricultural and Livestock Sector Development	Administrative Services	General Administration, Planning and Support Services	135,157,471	133,228,478	1,928,993	99%
	Livestock management	Livestock Resources Management and Development	158,064,900	158,014,900	50,000	100%
	Crop Management	Crop Development and Management	463,645,783	396,117,369	67,528,414	85%

	Flood control	Irrigation Infrastructure Development	4,500,000	4,498,750	1,250	100%
		Sub-Total	761,368,154	691,859,497	69,508,657	91%
Trade, Industrialization and Cooperative Development	Administrative Services	General administration planning and Support Services	41,218,085	38,165,312	3,052,773	93%
	Market development	Trade Development and Promotion	36,842,667	16,342,667	20,500,000	44%
		Cooperative Development	7,020,000	7,020,000	-	100%
		Sub-Total	85,080,752	61,527,979	23,552,773	72%
Gender Youth and Social Services	Administrative Services	General administration, planning and support services	34,868,581	34,358,657	509,925	99%
	Youth Affairs	Youth Development	4,978,900	4,966,500	12,400	100%
	Gender and Social Services	Social Services	75,832,480	75,805,809	26,671	100%
	Special Programme	Special programs & disaster management	520,000,000	519,998,750	1,250	100%
		Sub-Total	635,679,961	635,129,716	550,246	100%
Education	Administrative Services	General Administration, Planning and Support Services	774,224,398	773,099,360	1,125,038	100%
	Early Childhood Development Education (ECDE)	Early Childhood Education	211,417,921	130,417,885	81,000,036	62%

		Vocational Education and Training	-	-	-	0%
		Sub-Total	985,642,319	903,517,245	82,125,074	92%
Finance and Planning Services	Administrative Services	General administration planning and Support Services	376,504,748	376,233,725	271,023	100%
	Financial Services	Public Finance Management	61,780,000	55,100,000	6,680,000	89%
	Fiscal Planning	Fiscal Formulation	-	-	-	0%
		Sub-Total	438,284,748	431,333,725	6,951,023	98%
Health Services	Administrative Services	General administration planning and Support Services	1,773,676,734	1,770,668,590	3,008,144	100%
	Medical Services	Curative Health Services	935,924,104	853,822,216	82,101,888	91%
	Public health and sanitation	Promotive Health Services	131,186,458	84,826,152	46,360,306	65%
		Sub-Total	2,840,787,296	2,709,316,958	131,470,338	95%
Physical Planning and Urban Development	Administrative Services	General administration planning and Support Services	62,845,182	61,360,040	1,485,142	98%
	Lands survey and mapping	Lands and Physical Planning Services	14,528,615	14,512,483	16,132	100%
	Housing	Urban Development Services	533,601,158	529,026,690	4,574,468	99%
		Sub-Total	610,974,955	604,899,213	6,075,742	99%

Office of the Governor and the Deputy Governor	Administrative Services	General administration planning and Support Services	461,069,123	452,928,615	8,140,507	98%
		Sub-Total	461,069,123	452,928,615	8,140,507	98%
County Public Service Board	Administrative Services	General administration planning and Support Services	69,534,470	69,522,112	12,358	100%
		Physical Infrastructure	17,800,000	17,800,000	-	100%
		Sub-Total	87,334,470	87,322,112	12,358	100%
County Public Service Management	Administrative Services	General administration planning and Support Services	1,773,042,099	1,770,682,948	2,359,151	100%
	Physical Infrastructure	Physical Infrastructure Development	45,793,535	31,993,535	13,800,000	70%
		Sub-Total	1,818,835,634	1,802,676,483	16,159,151	99%
Roads, Transport and Works Services	Administrative Services	General administration planning and Support Services	147,470,414	146,928,188	542,226	100%
	County roads	Road Transport Infrastructure Development	704,227,080	622,739,703	81,487,377	88%
	Public works	Public Works	69,799,287	51,900,000	17,899,287	74%
		Sub-Total	921,496,781	821,567,891	99,928,890	89%
Water and Natural Resources Management	Administrative Services	General administration planning and Support Services	178,591,049	176,442,094	2,148,955	99%

	Water Supply Services	Water services	1,692,775,038	1,655,074,460	37,700,578	98%
	Energy	Energy and Natural Resources	6,580,000	6,580,000	-	100%
	Environmental Protection	Environment and Climate Change	27,000,000	27,000,000	-	100%
		Sub-Total	1,904,946,087	1,865,096,554	39,849,533	98%
County Assembly Legislation	Legislation and Representation	AdministratIon and planning	943,795,562	889,416,477.65	54,379,084	94%
		Physcial Infrastructure	218,548,145	42,165,240.00	176,382,905	19%
			1,162,343,707	931,581,718	230,761,990	80%
		GRAND TOTAL	12,713,843,988	11,998,757,706	715,086,282	94%

Source: County Treasury, Mandera County Government

4.0 IMPLEMENTATION CHALLENGES, LESSONS LEARNT AND WAY FORWARD

Mandera County Government experienced several challenges that affected budget implementation throughout the entire financial year 2022/2023. 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 throughout the period. This mainly affected implementation of development activities in the reporting period.

IFMIS connectivity challenges

Frequent and recurrent IFMIS breakdowns decelerated the approval of procurement requests and lead to delays in payments to suppliers thus slowing down the County's ability to absorb funds in a timely and effective manner.

Natural Calamities

The calamitous persistent drought and famine, and other natural calamities affected smooth execution of the planned programmes in the budget. This was because resources had to be reallocated to mitigate the citizens against the negative impacts of these unplanned emergencies.

Under-performance of own revenue collection

This was due to, amongst other reasons shortage of staff and ambitious increase in targets during the supplementary budget processes. 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 economy was also suffering with the adverse impacts of the coronavirus pandemic experienced in the previous financial periods.

Litigations

During the reporting period, the vetting and swearing in of the newly selected county chief officers were halted by lawsuits filed against the County administration hence affecting service delivery.

High public expectation

Increased awareness of members of the public on their rights through numerous public participation and community engagement programmes has seen an increase in agitation for better service delivery hence creating expectation pressure.

5.0 RECOMMENDATIONS

Mandera County Government has made some significant improvements in addressing some of the majorly challenges previously identified as affecting budget implementation. The following lessons learnt in the prior financial periods shall be replicated in the budget implementations:

- 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 continue liaising with the Controller of Budget to avoid limitations in expenditure to ensure proper implementation of planned projects.
- 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.
- 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.
- Engage the National Government to invest in the security sector to curb attacks from militia groups.
- Departments should capacity build their human capital so as to increase their efficiency and productivity.
- Task county departments to streamline their processes.