



**COUNTY GOVERNMENT OF MANDERA**

**REVENUE MOBILISATION  
STRATEGIC PLAN**

Mandera

**2025/26 – 2027/28**



## FOREWORD

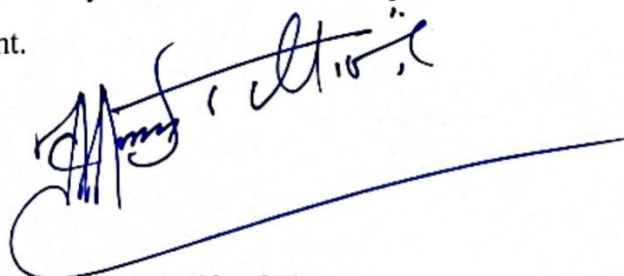
It gives me great pleasure to present this strategic plan to increase own-source revenue growth, improve efficiency in revenue administration, and provide revenue enhancement strategies for key revenue streams in Mandera County. As the Governor of this unique county, I am committed to ensuring the financial stability and prosperity of the northern region and maximising revenue generation plays a pivotal role in achieving this goal.

Mandera County is endowed with significant potential and resources that can be harnessed to drive our development agenda. Nonetheless, realising this potential requires a strategic approach to revenue collection, administration and management. This plan provides a comprehensive analysis of own-source revenue streams, identifying areas of strength, weaknesses and opportunities for improvement.

OSR growth is vital for the sustainable development of Mandera County. It allows us to reduce reliance on national government transfers and achieve greater financial independence. By optimising revenue collection and undertaking interventions such as investing in critical infrastructure, sensitisation and education programmes, and economic initiatives, we can improve the quality of life for the citizenry and ultimately bolster inclusive growth.

I am committed to implementing the revenue enhancement strategies outlined in this Mandera County Revenue Mobilisation Strategic Plan. We will collaborate with relevant government agencies, leverage technology, strengthen our policy and legislative frameworks and streamline the revenue administration. Through these measures, we will foster an environment conducive to revenue growth, transparency, and accountability in OSR.

I urge all departments and county officials, in collaboration with other stakeholders, to embrace the Mandera County Revenue Mobilisation Strategic Plan and support its implementation to enable the county to realise the full potential of our OSR in supporting sustainable development.



H.E. Mohamed Adan Khalif, EGH  
GOVERNOR  
MANDERA COUNTY

## ACKNOWLEDGEMENT

I wish to take this opportunity to thank H.E. Mohamed Adan Khalif, EGH, the Governor of Mandera County, for providing overall leadership and policy guidance during the development of the Revenue Mobilisation Strategic Plan.

I also wish to acknowledge the County Executive Committee Members and Chief Officers for providing the information necessary to facilitate the timely preparation of this policy document.

I extend my utmost gratitude to the Chief Officer for Revenue Services, the Director of Revenue Services, the Head of Economic Planning, the Head of Budget, the County Economists and Statisticians, and all others who provided technical support and assistance in formulating this plan.



CPA Ibrahim Mohamed Adan, OGW.

County Executive Committee Member, Finance and Economic Planning  
COUNTY GOVERNMENT OF MANDERA

## EXECUTIVE SUMMARY

The Mandera County Revenue Mobilisation Strategic Plan provides a strategic roadmap to strengthen revenue administration and unlock the county's Own Source Revenue (OSR) potential. The strategy was developed by technical staff across all departments in Mandera County, led by the Finance and Economics Department, to support the tenets of the Second Kenya Devolution Support Program. The estimated annual OSR potential for Mandera is KES 736 million. This is significantly higher than the county's historical performance, which has often yielded less than 58 per cent of its potential in the FY 2024/25.

Between FY 2013/14 and 2024/25, Mandera County's revenue performance remained modest, with annual collections fluctuating between 12% and 58% of OSR potential. However, in FY 2024/25, the county recorded a notable improvement, reaching 58 per cent of its estimated potential—the highest level in over a decade. This breakthrough signals both opportunity and urgency for deeper, sustained reforms.

Notably, the Mandera County's revenue potential is most significantly driven by hospital and public health fees (31%), Cess (7%), property rates (5%), income from water management (5%), the Single Business Permit (SBP) (3%), property rent (3%), and building and plans approval (3%).

The Mandera County Revenue Mobilisation Strategic Plan outlines practical, time-bound strategies targeting the county's most promising revenue streams, including Cess, Land rates, Single Business Permit, Administration Control Fees and Charges, Public Health Services, Physical Planning and Development, Parking Fees, Market Fees, and Property Rents, where reforms can enhance efficiency and gradually expand the revenue base.

The main interventions include establishing legal frameworks, mapping businesses, properties, and parking areas. Other reforms include digitising land revenue systems, deploying technical staff, educating and sensitising ratepayers, and strengthening enforcement and compliance. The cross-cutting actions, including staff capacity building, stakeholder engagement, system integration (e.g., with GIS and HIMS), and improved service infrastructure, will support the implementation of the Plan. Each strategy is assigned to responsible officers with clear timelines to ensure accountability and performance monitoring.

This will enable the county to lay the foundations for improved fiscal sustainability, enhanced service delivery, and greater public trust. The Mandera County Revenue Mobilisation Strategic Plan reflects the county's commitment to institutionalising sound revenue administration and, over time, to reducing its dependence on national transfers.

## ABBREVIATION

<b>CECM</b>	County Executive Committee Member
<b>CLIMS</b>	County Land Information Management System
<b>CCO</b>	County Chief Officer
<b>CRA</b>	Commission on Revenue Allocation
<b>FIF</b>	Facility Improvement Fund
<b>GIS</b>	Geographic Information System
<b>ICT</b>	Information and Communications Technology
<b>KDSP</b>	Kenya Devolution Support Programme
<b>LIMS</b>	Land Information Management System
<b>NGO</b>	Non-governmental Organisation
<b>OSR</b>	Own Source Revenue
<b>RMS</b>	Revenue Management System
<b>SACCO</b>	Savings and Credit Cooperative Organisation
<b>SBP</b>	Single Business Permit

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## CHAPTER 1: INTRODUCTION

### 1.1 Background

Mandera County is one of Kenya's 47 counties. It has a land area of 25,939.8 km<sup>2</sup> (2019 Kenya Population and Housing Census). It is located in the far north-eastern part of Kenya. It borders Ethiopia to the north, Somalia to the east, and Wajir County to the south-west. **Figure 1** below shows the location of Mandera County in Kenya.

Figure 1: Location of the County in Kenya



The county is divided into six constituencies, namely Mandera East, Lafey, Mandera North, Banisa, Mandera West, and Mandera South. The six constituencies are further subdivided into 30 electoral wards, which are in turn subdivided into locations, sub-locations, and villages.

Table 1: County's Electoral Wards by Constituency/Sub-county

Constituency / Sub-county		County Assembly Wards	Constituency	County Assembly Wards	
<b>1</b>	<b>Banisa</b>	Banisa	<b>4</b>	<b>Lafey</b>	Sala
		Derkhale			Fino
		Guba			Lafey
		Malkamari			Warankara

Constituency / Sub-county		County Assembly Wards	Constituency	County Assembly Wards
		Kiliwehiri		Alango Gof
	<b>Total</b>	<b>5</b>	<b>Total</b>	<b>5</b>
<b>2</b>	<b>Mandera west</b>	Takaba South	<b>5</b>	<b>Mandera north</b>
		Takaba		Ashabito
		Lagsure		Guticha
		Dandu		Morothile
		Gather		Rhamu
	<b>Total</b>	<b>5</b>	<b>Total</b>	<b>5</b>
<b>3</b>	<b>Mandera east</b>	Township	<b>6</b>	<b>Mandera South</b>
		Neboi		Wargadud
		Khalalio		Elwak South
		Arabia		Elwak North
		Libehia		Shimbir Fatuma
	<b>Total</b>	<b>5</b>	<b>Total</b>	<b>5</b>

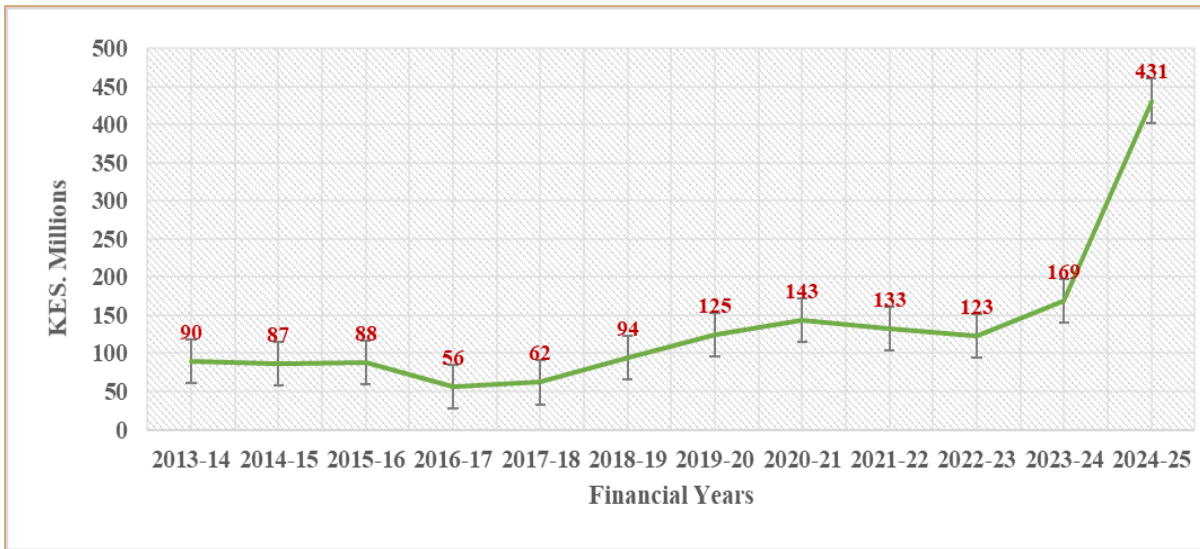
*Source: IEBC, December 2012*

The main economic activity in Mandera County is pastoralism, which accounts for approximately 72% of total household income. Cross-border trade, artisanal mining, beekeeping and irrigation-aided agriculture are the other viable ventures. Beekeeping is gaining popularity across most of the county, while irrigated subsistence agriculture is practised along the Daua River. The common livestock breeds reared in the county are goats, cattle, camels, sheep, donkeys and chickens.

## 1.2 Overall Revenue Performance

The Constitution empowers County governments under Article 209(3) to raise their own revenue by imposing property rates, entertainment taxes, and any other tax authorised by an Act of Parliament. County governments may also impose fees and charges for services they provide. Since the onset of devolution in FY2013/2014, the County government of Mandera's combined revenue collections have consistently declined over the first five years. In FY 2018/19, the OSR gradually increased, with slight declines in FY 2021/22 and 2022/23. The decrease in OSR was driven by persistent dry conditions affecting livestock, the terrorist insurgency, and the COVID-19 pandemic. This is illustrated in **Figure 2**:

Figure 2: Comparison between County OSR Actual Collections (FY13/14- FY24/25)



The persistent failure to meet Own Source Revenue (OSR) targets has hindered effective budget execution, resulting in underfunded budgets and the accumulation of outstanding bills. The county has undertaken various revenue-enhancement initiatives to increase OSR, as seen in the FY 2024/25, such as the monthly governor’s roundtable meeting on OSR and enactment and implementation of Health Facilities Improvement Financing (FIF). These initiatives have ensured fiscal self-reliance, reduced outstanding bills, and minimised dependence on National Government transfers and grants. This is shown in **Figure 3** below:

Figure 3: Mandera County Annual Revenue Collection as a Percentage of Projection Collection

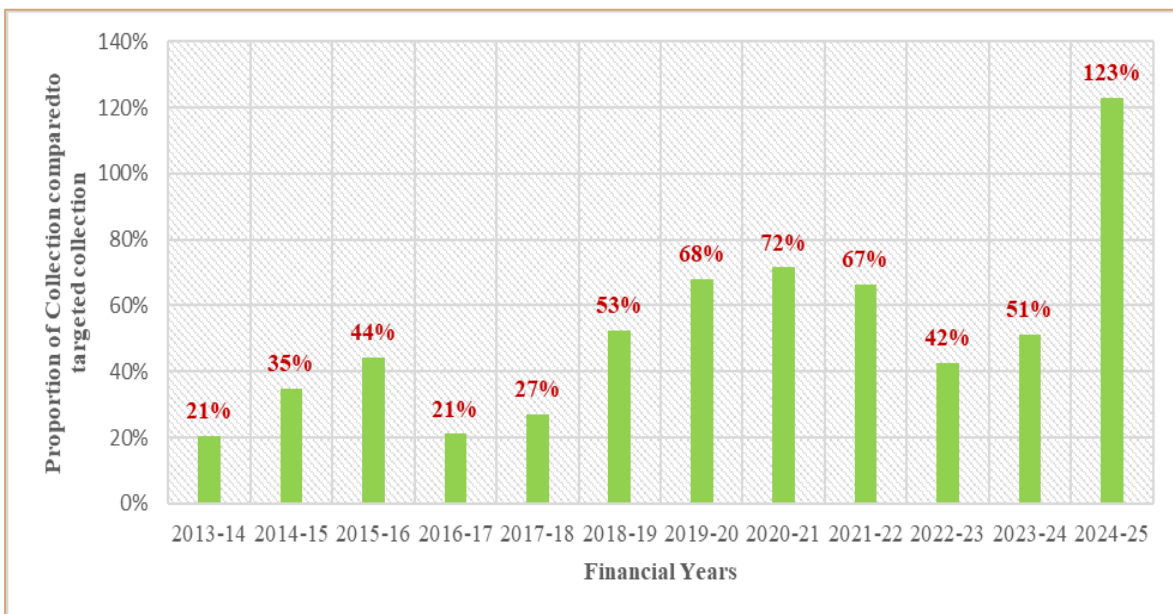
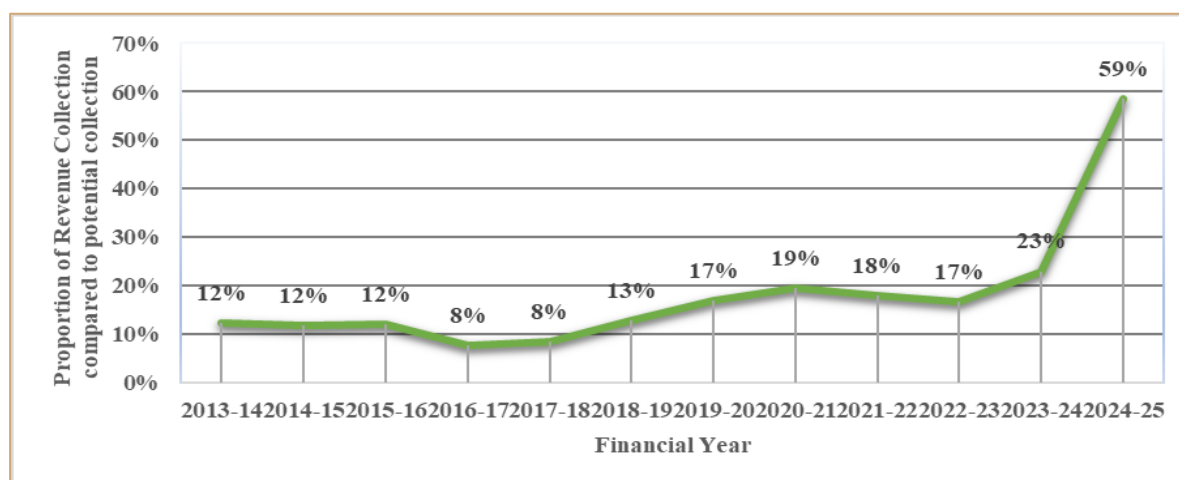


Table 2: Actual revenues – FY 2024/25 & potential revenue estimates, KES. million – Mandera  
(Source: Comprehensive Own Revenue Potential & Tax Gap Study of 2018)

Revenue Stream-Mandera County	Actuals FY 2024/25	DFA Potential
	Kshs.Million	Kshs.Million
Property Rates	34	47
Property Rent	25	-
Building Plan Approvals Fees	1	21
Trading Licencing/Single Business Fees	25	133
Liquor Licencing fees	-	6
Advertising and Sign Board Fees	-	43
Parking Fees	1	155
Agricultural transportation fees	52	61
Hospital Fees and Public Health Services	227	19
Market Trade Centre Fees	1	92
Natural Resource Transportation Fees	1	44
Environment and Conservancy Administration Fees	-	51
Technical Services Fees	0	27
Administration control fees & charges	30	32
Other Fines ,Penalties and Forfeitures fees	-	5
Income from Water Management	34	
Miscellaneous receipts/ Others	2	-
<b>Totals</b>	<b>431</b>	<b>736</b>
<b>DFA-Deterministic Frontier Analysis</b>		

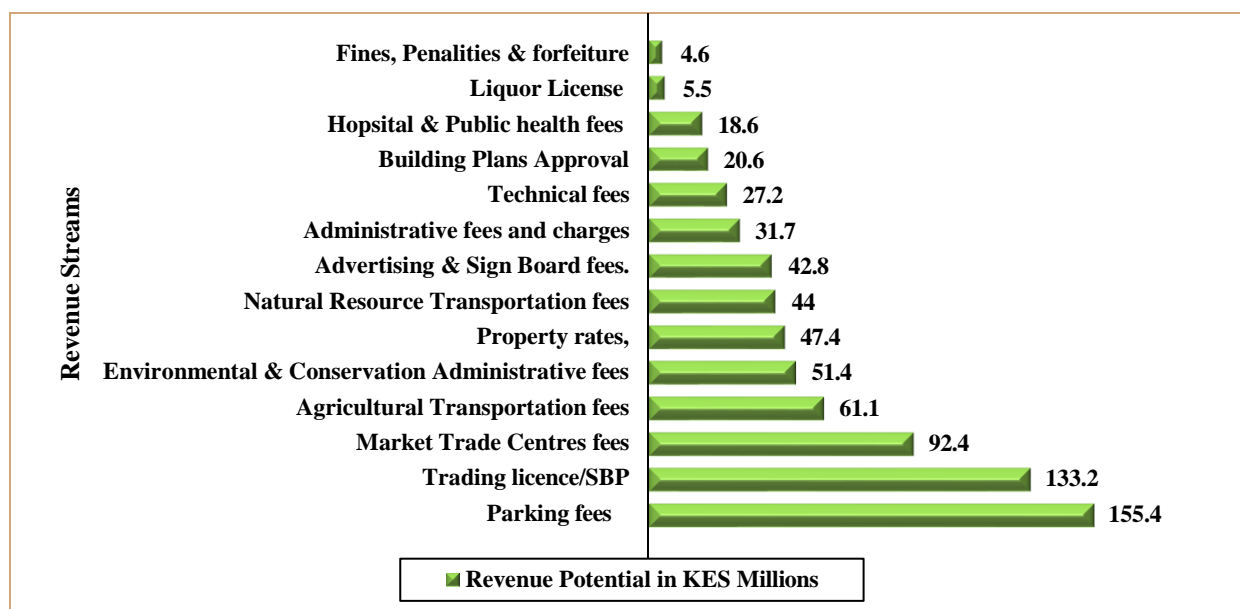
According to the Commission on Revenue Allocation Report, the OSR potential for Mandera County is among the rural counties that collect more than half a billion Kenyan Shillings, making it one of the ASAL counties with the highest capacity to mobilise own-source revenue. Over the past 12 years, as shown in Figure 4, the county has collected between 12 per cent and 58 per cent of its potential, averaging 35 per cent.

Figure 4: Proportion of Actual Revenue Collection in Comparison to its Revenue Potential



Eighty-five per cent (85%) of the estimated revenue potential can be derived from the various sources, including Parking fees, Trading licence/SBP, Market Trade Centres fees, Agricultural Transportation fees, Environmental & Conservation Administrative fees, Property rates, Natural Resource Transportation fees and Advertising & Sign Board fees, as illustrated in **Figure 5**.

Figure 5: Mandera County’s Revenue Potential by Streams



### 1.3 Rationale

The County Government of Mandera has the potential to collect KES 736 million per year. However, its OSR collection averages only 35% of this potential annually. Moreover, there is a recurring shortfall in own-source revenue relative to projections, except in FY 2024/25, driven by higher FIF collections. Therefore, to address the tax gap, revenue leakages, and administrative challenges, the County Leadership commissioned the development of the County Revenue Mobilisation Strategic Plan. The County Revenue Mobilisation Strategic Plan aims to support effective revenue administration and management systems with minimal leakages, anchored in a robust own-source revenue collection mechanism governed by policy and legal guidelines.

### 1.4 Objectives

The County Government of Mandera aims to increase its own-source revenue collection to expand its funding in line with its revenue potential. Specifically, this assignment will achieve the following objectives:

- i. A detailed survey report of the county revenue sources/ streams performance
- ii. A detailed report on potential revenue leakages within revenue streams.
- iii. A detailed report on potential areas of improvement on existing streams with strategies of actualisation.
- iv. The development of a Revenue Mobilisation Strategic Plan for Mandera County.

### **1.5 Scope**

The county government aims to develop a County Revenue Mobilisation Strategic Plan that provides detailed insights and strategies for ten specific revenue streams: Cess, Property Rates, Single Business Permit, Administration Control Fees and Charges, Hospital and Public Health Services, Physical Planning and Development, Parking Fees, Market Fees, and Property Rents.

## CHAPTER 2: METHODOLOGY

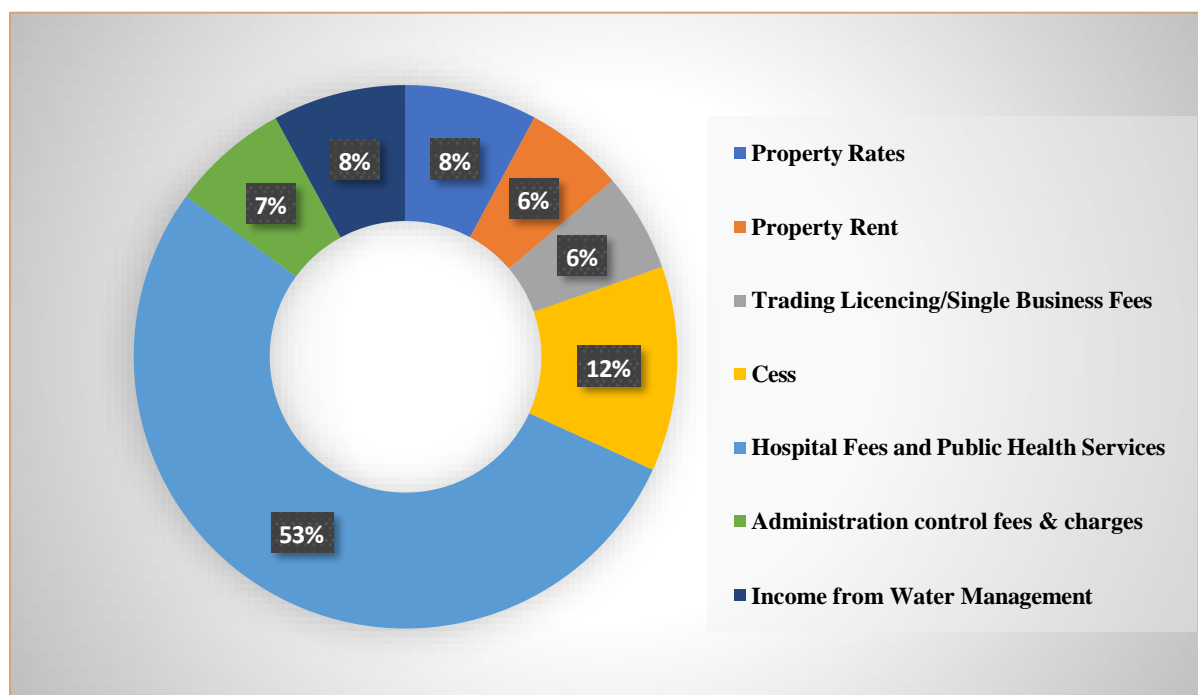
### 2.1 Data Collection

Both primary qualitative and quantitative data, as well as secondary data, have been collected and used. The primary data were collected using the questionnaire attached as Annexe 1. Specifically, the performance analysis of county revenue streams was conducted using information from the county government's financial statements for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25.

Moreover, detailed information on the revenue administration and management cycle and procedures in Mandera County was obtained from various reports, including those of the Auditor-General, the Commission on Revenue Allocation, the Mandera County Integrated Development Plan (CIDP), the Mandera County Fiscal Strategy Paper (CFSP), the Mandera County Budget Review and Outlook Paper (CBROP), the county revenue legislation, and county revenue reports. Interviews were also conducted with county government officials across various cadres and departments, using the questionnaire in **Annexe 1**.

The performance analysis was conducted of the ten revenue streams identified as key in the Mandera County Receiver of Revenue statement.

Figure 6: Key Revenue Streams in FY 2024/25 – Chart



The ten revenue streams account for the County's own-source revenue, as illustrated in **Figure 6**. These revenue streams include: Cess, Property rates, Single Business Permit, Administration Control Fees and Charges, Hospital and Public Health Services, Physical Planning and

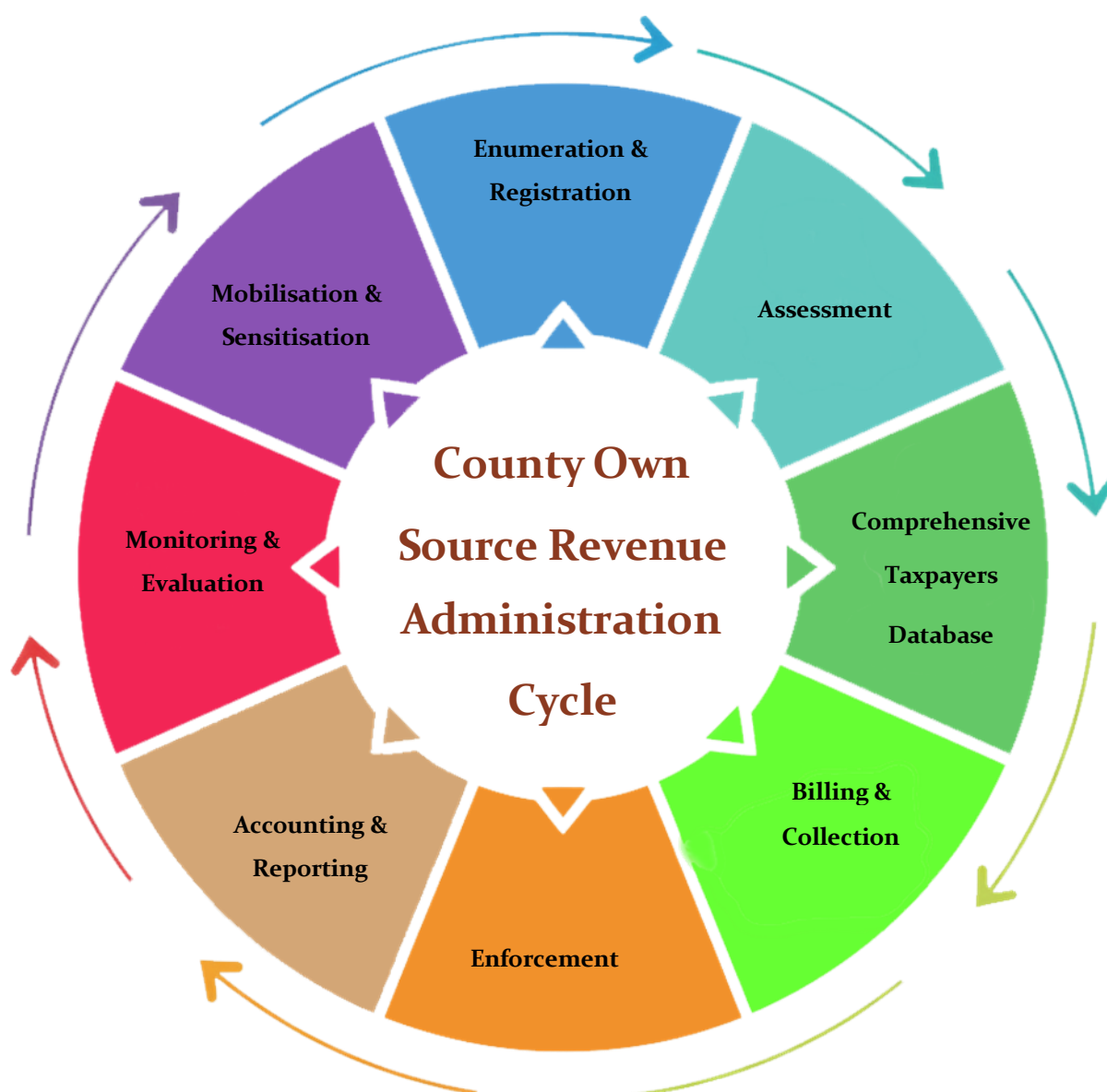
Development Fees, Income from Water Management, Parking Fees, Market Fees, and Property Rents.

The revenue streams have also been mapped across the departments and the two municipalities: Mandera and Elwak. The sub-counties are also included in the revenue analysis within the performance analysis.

## 2.2 Revenue Administration and Management Cycle

The information on the revenue administration and management cycle, as illustrated in **Figure 7**, was also collected to assess revenue-collection efficiency and to identify revenue leakages and gaps.

Figure 7: Revenue Administration and Management Cycle



- 1) **Enumeration and Registration:** Identifying and registering taxpayers for revenue collection.
- 2) **Assessment:** Evaluating taxpayers' liabilities to determine what they owe. It can be county-based or self-assessment
- 3) **Comprehensive Taxpayers Database:** A system for tracking taxpayer information and payment history.
- 4) **Billing and Collection:** Issuing bills and collecting revenue from taxpayers.
- 5) **Enforcement:** Taking legal action against non-compliant taxpayers.
- 6) **Accounting and Reporting:** Properly documenting all revenue transactions and their ability to reconcile to enable easy production of diverse reports for transparency.
- 7) **Monitoring and Evaluation:** Continuously overseeing tax compliance and the revenue enhancement strategies, and making changes when necessary.
- 8) **Mobilisation and Sensitisation:** Increasing taxpayers' awareness and educating the public on the importance of paying taxes and user fees.

### 2.3 Revenue Data Analysis

Using descriptive statistics, graphs, and tables based on observations of revenue gaps across streams, this analysis identified opportunities to improve existing revenue streams. It also facilitated comparison with international best practice and highlights untapped revenue across the county, which the county can use to optimise its OSR collection through targeted interventions.

### 2.4 Participatory Workshops

This activity was implemented through participatory workshops and meetings with County Government officials from relevant departments to identify gaps in revenue administration and management across counties. This information was then used to develop strategies and specific interventions for each stream to maximise OSR collection, incorporating best practices into the County Revenue Mobilisation Strategic Plan. The county technical officers validated the Strategic Plan for publication, sensitisation, and implementation.

## CHAPTER THREE: REVENUE ADMINISTRATION AND MANAGEMENT

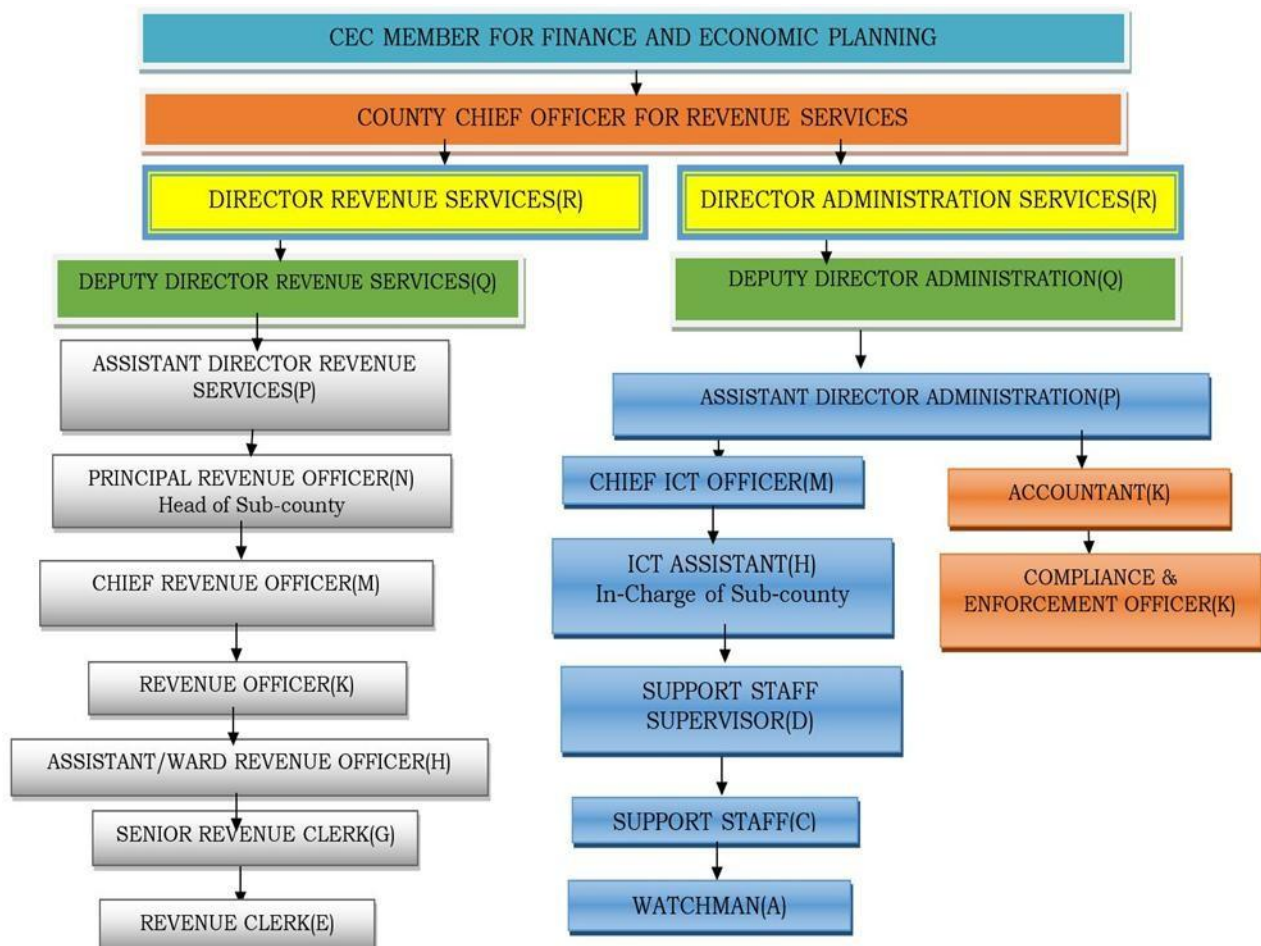
### 3.0 Introduction

This chapter focuses on the specific revenue streams in the following areas: revenue administrative structure, collection analysis, collection procedures, potential revenue leakage and its causes, and the recommended revenue enhancement strategies. The key revenue streams include: Cess, Land rates, Single Business Permit, Administration Control Fees and Charges, Public Health Services, Physical Planning and Development, Income from Water Management, Parking Fees, Market Fees, and Property Rents.

### 3.1 Revenue Administrative Structure

This is illustrated in **Figure 8** below:

Figure 8: Revenue Administration and Management Organisational Structure



Revenue collection, administration and management are housed under the Department of Finance and Economic Planning. A substantive Chief Officer oversees the day-to-day

management of matters related to revenue. The Chief Officer – Revenue Services is also the designated County Receiver of Revenue under Section 157 of Cap 412A.

### 3.2 Cess

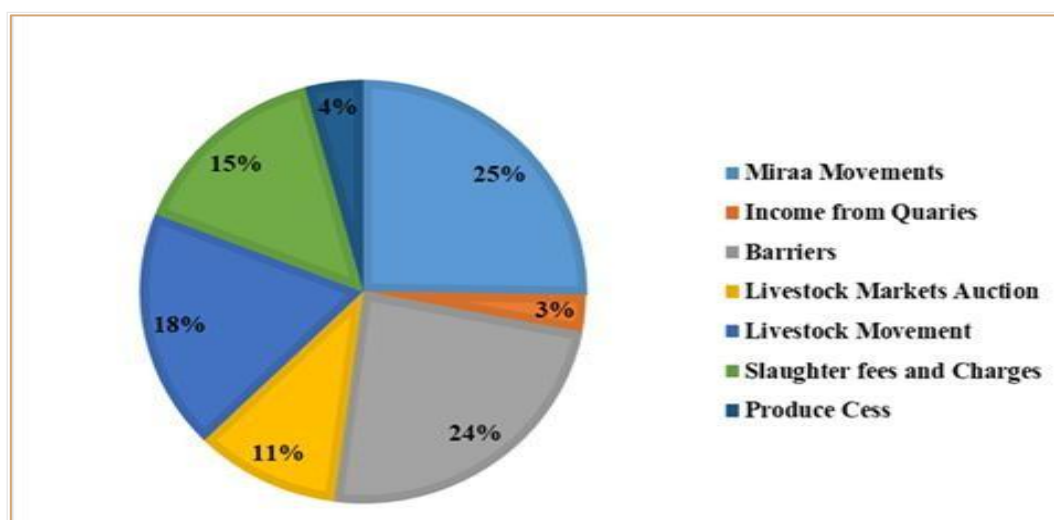
These are fees imposed by county governments on the transportation of specific goods/produce within and across county borders for the provision of services as prescribed by county law. Therefore, the County Government of Mandera levies a cess on vehicles transporting both natural resources extracted within its jurisdiction and fresh produce cultivated within its jurisdiction. The other sub-streams in the cess revenue category are as follows: livestock movement, miraa movements, barriers and slaughter fees and charges.

#### 3.21 Areas where cess fees are collected

The extraction of natural resources in Mandera County includes sand, gravel, ballast, and stones. These quarrying activities are concentrated mainly in Mandera South sub-county. Barriers are set up at strategic points at the entry and exit of quarries, and along designated roads, to ensure the cess is collected. Similarly, the movement of farm produce, livestock, and miraa is subject to collection at designated barriers in municipalities and in almost all sub-counties. Slaughter fees and charges are collected at designated slaughterhouses in the two municipalities and sub-counties. The livestock market is large, extending to Nairobi and Wajir, as well as internationally. There is a wide array of other horticultural agricultural produce, including fruits, cereals (pasture), onions, and beans, for which a cess fee is levied.

#### 3.22 Revenue Collection Analysis

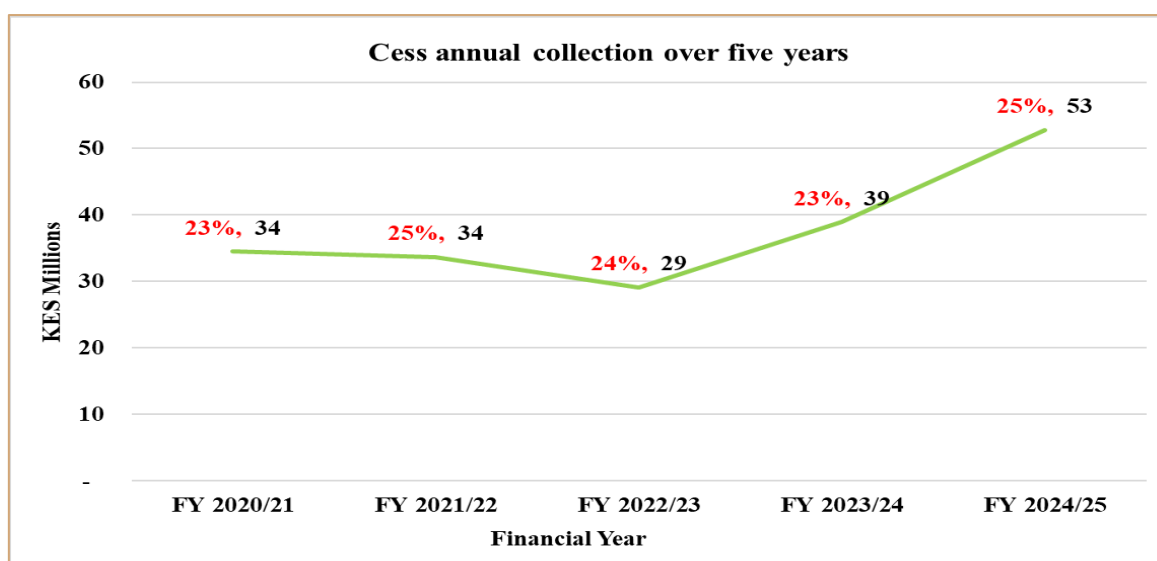
Figure 9: Cess Revenue Sub-streams



The performance of Mandera County's cess revenue streams was drawn from the Receiver of Revenue statement and the Financial Statements for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and FY 2024-25. **Figure 9** shows the revenue streams that constitute the cess: Miraa movement (25%), Barriers (24%), Livestock movement (18%), Slaughter fees and charges (15%), Livestock Market Auctions (11%), Produce cess (4%), and Income from quarries (3%).

Although the County government of Mandera has made efforts to increase cess revenue from FY 2023/24 to date, it has collected only 25% of the total revenue. In previous years, from FY 2020/21 onward, the highest share of potential revenue collected was 25%. **Figure 10** shows that, on average over the five years, the cess accounts for 24% of total revenue, making it one of Mandera County's key revenue earners. This revenue stream is constrained by quarry insecurity, limited revenue collectors, and poor road infrastructure. In addition, other challenges include border revenue disputes, backyard livestock slaughter, and climatic conditions that drive seasonal farming, all of which increase revenue unpredictability.

Figure 10: Cess annual collection over five years

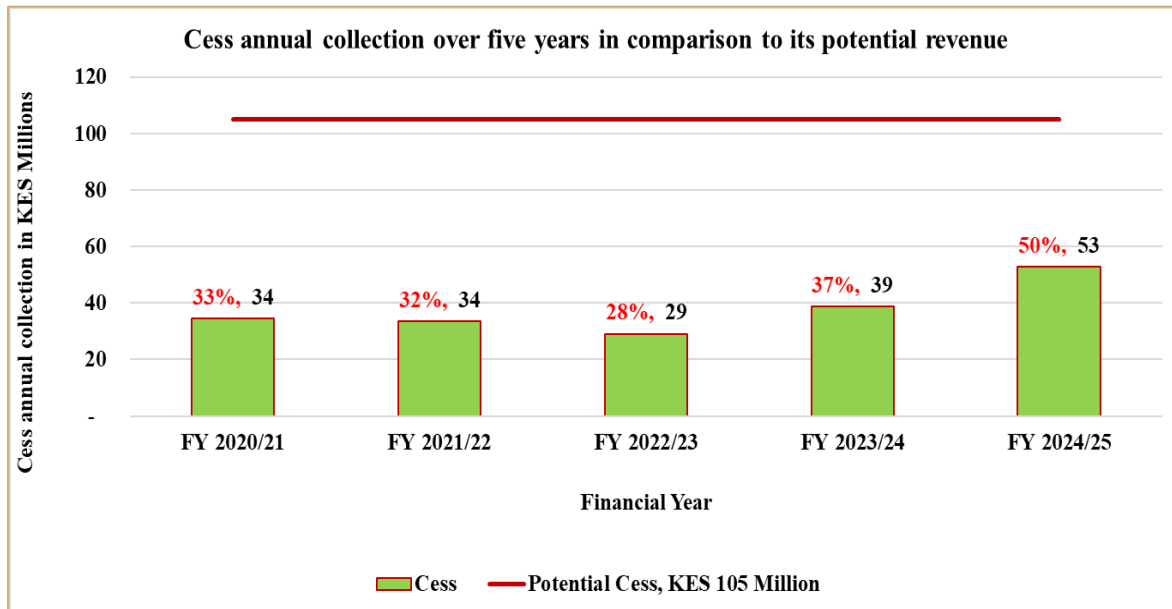


While the County government of Mandera has made efforts to increase cess revenue from FY 2023/24 to date, it has achieved only 50% of its potential. In the previous years, from FY 2020/21, the highest cess revenue collected was 25% of potential revenue.

**Figure 11** shows the unrealised revenue potential and the scope for further growth in cess revenue through streamlining revenue collection, investing in modern infrastructure,

strengthening revenue monitoring and enforcement, and ensuring adequate security at various collection points.

Figure 11: Cess annual collection over five years in comparison to its potential



### 3.23 Potential areas of revenue leakage and causes of under collection

The assessment of cess collection in Mandera County has identified potential areas of revenue leakage and the causes of under-collection. The following factors contribute to the underperformance of revenue collection:

#### (i) Inconsistent reporting

One of the main concerns identified in the collection of cess in Mandera County is the inconsistent reporting of revenue generated from this stream, despite its untapped potential (KES 105 million). The implications of inconsistent reporting pose a significant challenge to recognising the tax gap, making it difficult to evaluate the effectiveness of revenue-collection efforts and to identify areas for improvement.

#### (ii) Legislative and Policy Framework

The assessment of the cess stream and its components in Mandera County has revealed legislative gaps that have significantly contributed to challenges and potential leakages in the revenue administration. This stems from reliance on the Finance Acts alone rather than on the primary revenue legislation.

### **(iii) Enforcement Challenges**

The existing legislation does not prescribe an enforcement mechanism for non-compliance or non-payment of the cess by the ratepayers. This poses challenges for monitoring and ensuring that revenue collection approaches its potential. These challenges stem from limited enforcement staff, insecurity, the county's large area, a lack of enforcement training, and minimal collaboration with relevant agencies.

### **(iv) Miscellaneous Receipting**

Receipting cess revenue under miscellaneous receipts, without specifying the revenue sub-streams and sub-counties/municipalities, creates challenges in accurately reporting their total collection periodically due to the ambiguity of the receipting category. Therefore, the lack of streamlining the reporting process results in a lack of revenue tracking and compromises transparency and accountability in revenue administration.

### **(v) Cash handling**

The persistent power outage and low internet connectivity are causing inconsistent use of Point-of-Sale (POS) equipment. Therefore, the revenue collectors should shift to cash payments, with funds banked daily, weekly, or monthly, depending on the collection points in the county.

## **3.24 Revenue Enhancement Strategies**

The possible revenue-enhancement strategies targeting the cess revenue stream that Mandera County would undertake are as follows:

### **(i) Digital Payment and Monitoring Systems**

Mobile payment platforms can be introduced instead of POS devices. Other payment methods, such as USSD and payment prompts, are instrumental when internet connectivity is low. Electronic toll collection systems and electronic weighbridges can also be deployed at key collection points to reduce leakage and improve revenue collection efficiency.

### **(ii) Enforcement Task Force**

Establishing a dedicated task force to monitor and ensure compliance for the various sub-streams of Cess, where regular and scheduled inspections are conducted at specific collection points. This will reduce illegal activities and augment revenue collection.

### **(iii) Public sensitisation campaign**

Sensitisation campaigns can be scheduled for ratepayers to educate them on the importance of paying through the county's payment platforms and the direct benefits they receive from the user fees and charges they pay. The importance of communities surrounding natural resources in overseeing their proper use and sustainability.

#### **(iv) Streamlining the Policies and Regulations**

Review of existing policies, regulations, and the legal framework that facilitate cess revenue collection and administration. This will provide a clear and consistent basis for levying the cess and supporting the enforcement mechanism.

#### **(v) Investment in modern infrastructure**

The allocation of funds to enhance infrastructure in areas such as modern facilities for livestock and fresh produce markets, slaughterhouses, auction rings, and barriers. A well-maintained road network and access routes to the facilities, since easier transportation leads to increased revenue collection. It will also expand the cess collection points.

#### **(vi) Enhanced reporting mechanism**

Prioritising consistent and accurate reporting of revenue from the cess stream requires proper classification of revenue streams into the categories defined in the Receiver of Revenue reporting template. This will improve transparency, facilitate accurate revenue-collection assessments, and enable comparisons with other counties. It will serve as a structured framework for auditing cess revenue.

### **3.3 Property Rate**

Property rate means the amount payable by a rateable owner as a tax on their property, based on the valuation roll and any other forms of rating specified in the National Rating Act 2024. Property rate revenue for the County government of Mandera is income generated from property taxes collected from property owners within the county. As a tax, property rates are not directly linked to a specific service, although they indirectly support services for citizens. Thus, property rates should be a significant source of revenue to support essential services and fund development projects.

#### **3.31 Areas where Property rates are collected**

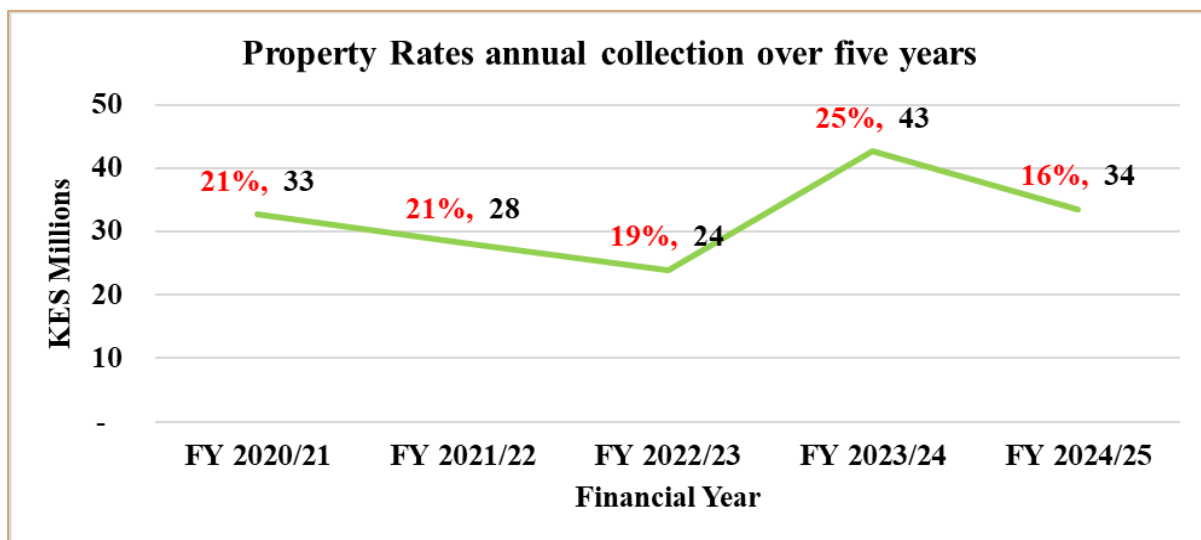
There are two municipalities in Mandera County: Mandera and Elwak, where the property rates are mainly collected. The other areas where property rates are collected are the sub-counties.

The Rating Act for Mandera County has not been developed or legislated. Although the county has a draft Valuation Roll, it is awaiting approval from the County Assembly.

### 3.32 Revenue Collection Analysis

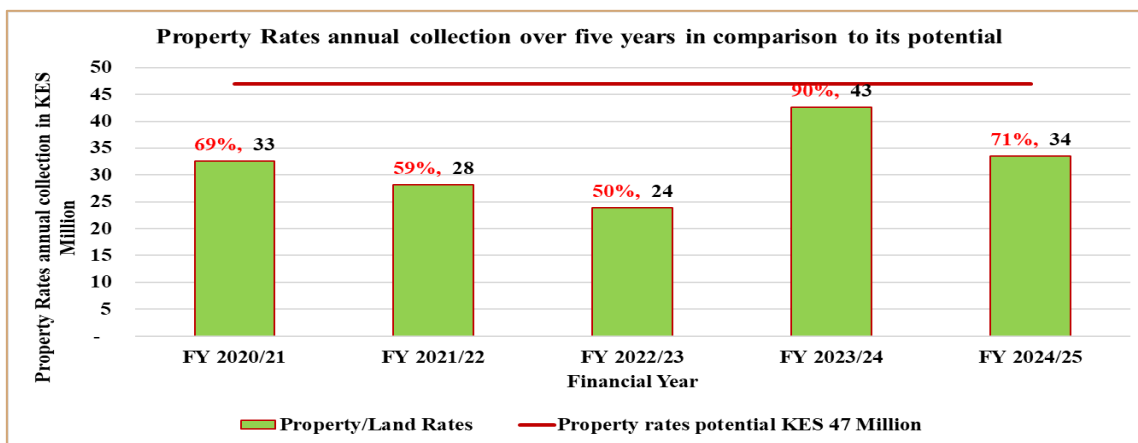
The trend analysis of past Property rates performance over the last five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 12**. The average across the five years is 20 per cent, making it one of Mandera County's main revenue streams. Property rates revenue performance has fluctuated; however, over the five years under review, it has been on a downward trajectory.

Figure 12: Property Rates Annual Collection Over Five Years



Over the past five years under review, Mandera County achieved more than 50 per cent of its potential in property rate revenue. In FY 2024/25, the county collected the highest amount over the five-year period, as shown in **Figure 13**. This can be attributed to urbanisation and population growth. However, challenges in property rate revenue collection include: an inaccurate property valuation roll; weak enforcement mechanisms; tax evasion facilitated by technical staff; obsolete land cadasters; a weak legislative framework; limited technical staff; and ratepayers' resistance to payment.

Figure 13: Property Rates annual collection over four years in comparison to its potential



### 3.33 Potential areas of revenue leakage and causes of under collections

#### (i) Manual Land Registers/ Outdated Valuation Roll

One of the main drawbacks affecting property rate collection is reliance on manual land registers held at the county headquarters. Moreover, the outdated valuation roll impedes proper property assessment, resulting in revenue losses. The legislative gaps can be addressed by the National Rating Act 2024, which the county can use to develop its own Rating Act, thereby facilitating growth in property rate revenue.

#### (ii) Limited technical staff

The limited number of rating officers in the county responsible for determining the chargeable amount for ratepayers based on the type and size of the occupied property can lead to revenue losses. Minimal use of technology, such as revenue management systems for billing, receipting, and accounting, especially across the sub-counties and municipalities, can render enforcement efforts futile.

#### (iii) Non-compliance by rate payers

Non-compliance occurs when property owners deliberately evade or delay payment of their property rates. This may be due to financial constraints, limited awareness, apathy among ratepayers, and bureaucratic hurdles in the property rate payment process.

#### (iv) Non-enforcement of Penalties

Inadequate enforcement of penalties for late or non-payment of property rates may erode the fear of consequences among defaulting property owners. Inconsistent implementation of penalties can encourage compliance and facilitate under-collection.

#### **(v) Minimal Monitoring and Enforcement**

Inappropriate monitoring and enforcement procedures result in non-compliant property owners not being identified and timely payments not being ensured. The lack of technology use, taxpayer education, and capacity-building for technical staff can lead to ineffective monitoring and enforcement practices in property rate revenue collection.

### **3.44 Revenue Enhancement Strategies**

#### **(i) Strengthen the Legal and Policy Framework**

The review and updating of existing policies and regulations governing the collection and management of property rates, including waiver and exemption policies, as well as the valuation roll. The development of the Mandera County Rating Act would also ensure clarity and consistency in fee requirements and enforcement mechanisms.

#### **(ii) Invest in Technology and Automation**

Leveraging technology can streamline property rates revenue collection. Implementing an integrated property rates management system, such as the Land Information Management System (LIMS), that automates billing, receipting and data management will enhance efficiency and accuracy. It will support digital payment options and provide ratepayers with easy access to their account information.

#### **(iii) Continuous Professional Development**

The county should invest in continuous professional development for its rating officers, surveyors, valuers and revenue collection teams. Training and capacity-building initiatives will ensure staff are equipped with the skills and knowledge needed to accurately assess rates, handle disputes and engage effectively with property owners.

#### **(iv) Enhance the Monitoring and Evaluation framework**

Establishing a robust monitoring and evaluation framework that enables regular performance assessment of property rates, revenue, and the revenue collection team. This will involve trend analysis, identification of revenue leakage or under-collection, and corrective measures to address any gaps or concerns.

#### **(v) Strengthening Enforcement Mechanisms**

Streamlining the enforcement procedures anchored in the legal framework to ensure the timely payment of property rates through penalties and late payment charges. Other enforcement

mechanisms include repossession, sale, and denial of the property transfer. At the same time, regular audits and inspections will help identify non-compliant property owners and facilitate the enforcement of outstanding dues.

#### **(vi) Taxpayers' education and sensitisation campaign**

Conducting regular public awareness campaigns to educate ratepayers about their rights and obligations regarding their property. These engagements can take place through community forums, workshops, and information sessions to help ratepayers better understand the benefits of property rates, particularly for funding county development. The county can send regular reminders and informative materials via SMS, email, social media, and local radio stations.

### **3.4 Property Rent**

Property rent refers to fees and charges payable for land and residential and commercial properties owned, managed, leased, or rented by the County Government of Mandera to individuals or institutions.

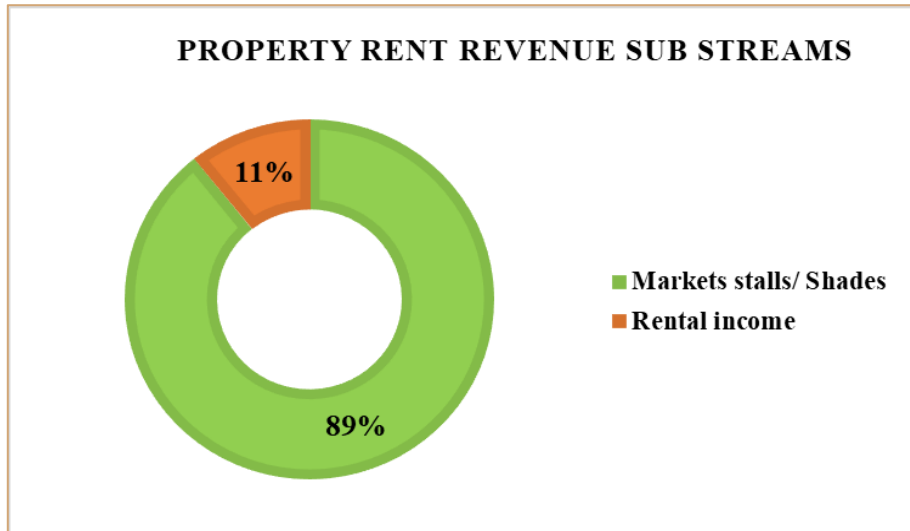
#### **3.41 Areas where Property rent is collected**

The County government of Mandera inherited the houses from the defunct Local Authority, as well as the market stalls and shades, which it has leased to specific individuals. All sub-counties have county rental houses except Lafey. The Mandera municipality, located in Mandera East, has more market stalls and shade structures than other sub-counties.

#### **3.42 Revenue Collection Analysis**

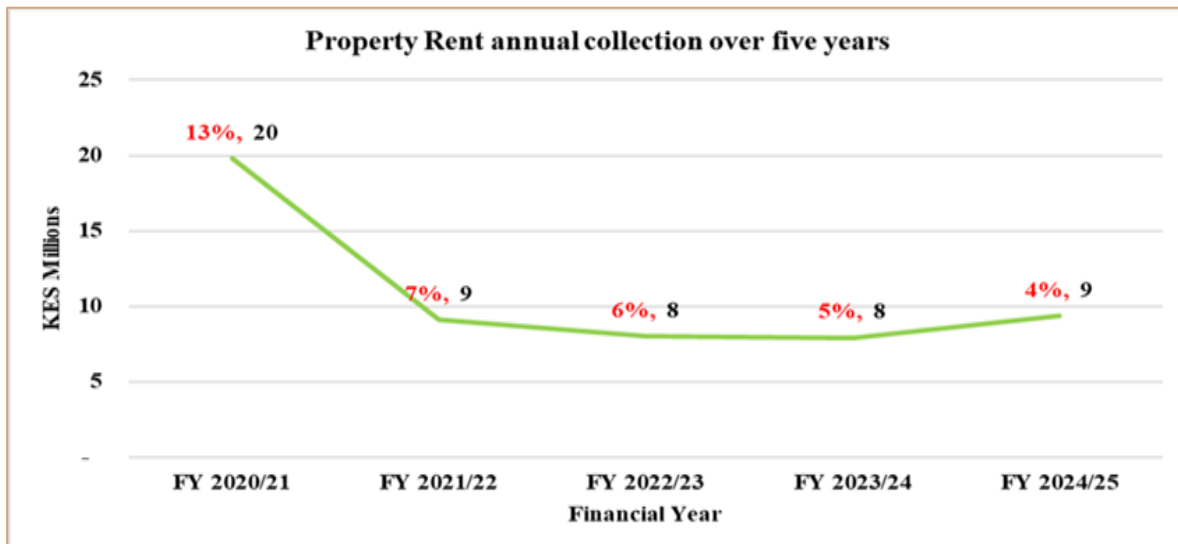
The performance of Mandera County's property rent revenue streams was drawn from the Receiver of Revenue statement and the Financial Statements for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and FY 2024-25. **Figure 14** below shows the revenue sub-streams that constitute the property rent: Market Stalls/Shades (11%) and Rental income (89%).

Figure 14: Property Rent Revenue Sub-streams



The trend in property rent performance over the past five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 15**. Despite being one of Mandera County's key revenue streams, property rent revenue has declined over the past five years. Property rent revenue declined by 6% in FY 2021/22 and continued to decrease over the following four years. This stems from low trader incomes, subletting of market stalls/shades and county houses, inadequate enforcement of rental arrears, and inadequate maintenance of county rental properties.

Figure 15: Property Rent annual collection over five years



### **3.43 Potential areas of revenue leakage and causes of under collections**

#### **(i) Weak enforcement mechanism**

The weak enforcement mechanism has contributed to the high level of outstanding property rental income. This is where enforcement procedures need to be incorporated into the primary revenue legislation or policy framework.

#### **(ii) Poor maintenance of county rental property**

The lack of funding to maintain the county's rental property has led the county government to lose substantial revenue, as the property's rents are well below market rates.

#### **(iii) Resistance to fee payment**

Resistance to fee payment may stem from a lack of awareness of the benefits to the lessee. This lack of understanding may lead to hesitation in complying with the fee payment structure. In addition to perceptions of inadequate services and poor infrastructure, the county's rental properties also discourage timely payments by lessees.

#### **(iv) Weak rental property management and governance**

The absence of a proper governance and management structure for the rental property has led to significant inefficiencies and challenges in revenue collection. For instance, the absence of a market management committee, a market master, and other essential structures leads to a lack of oversight and accountability. The absence of strategic planning and decision-making leads to ad hoc approaches and ineffective management.

#### **(v) Underutilisation of the rental property**

The underutilisation of rental properties indicates a lack of interest or awareness among lessees of their benefits, which contributes to revenue arrears and losses. This primarily reflects reluctance and resistance due to limited stakeholder engagement with county government officials.

### **3.34 Revenue Enhancement Strategies**

#### **(i) Strengthening Revenue Monitoring and Enforcement**

Implementing efficient revenue-monitoring and enforcement mechanisms will facilitate tracking fee collections and identifying irregularities. Regular audits and inspections will deter revenue leakages and ensure all lessees comply with payment requirements.

### **(ii) Embrace technology**

Leveraging an integrated revenue management system, using tools such as geographical information systems (GIS), mobile payment systems, and electronic records, will streamline fee collection processes and minimise cash-handling risks. Automation will improve data accuracy and efficiency in revenue management, thereby enhancing property rental revenue.

### **(iii) Stakeholder engagement**

The county should engage stakeholders to understand their concerns and address any issues that may be deterring ratepayers from making timely payments. Conducting regular dialogues and feedback sessions will foster trust and cooperation.

### **(iv) Legal and Policy Framework**

Review and update existing regulations and policies governing the collection and management of rental property revenue. The enforcement mechanism should be included in the legal provisions governing property rents to deter non-compliance.

### **(v) Budgeting for Maintenance Costs of Rental Property**

Conducting regular assessments of rental properties will ensure that maintenance and infrastructure are maintained at high standards, thereby keeping the lease price at or near market rate. This will keep rental income high and minimise frequent turnover in the property.

## **3.5 Physical Planning and Development Fees**

These are payments for technical services offered by the county government, such as authorised construction, renovation, or modification of structures, construction sign boards, survey fees, subdivision fees, development control fees, extension of leases, renewal fees, approval of scheme plans, allocation charges, and beacon fees, among others.

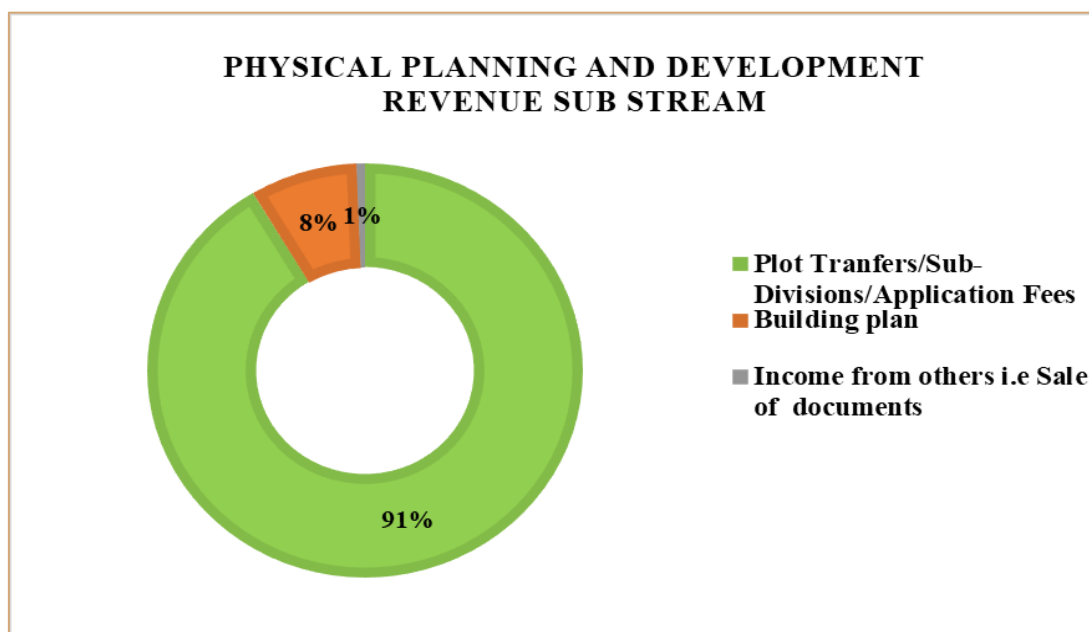
### **3.5.1 Areas where Physical Planning and Development Fees are collected**

Mandera County's physical planning and development fees include plot transfer and subdivision application fees, building plan approval fees, and other income from the sale of documents. The Department of Lands and Urban Development provides technical support, while the Directorate of Revenue collects revenue across all sub-counties and municipalities for these services. The main challenge is the limited number of technical staff in the Directorate of Physical Planning.

### 3.52 Revenue Collection Analysis

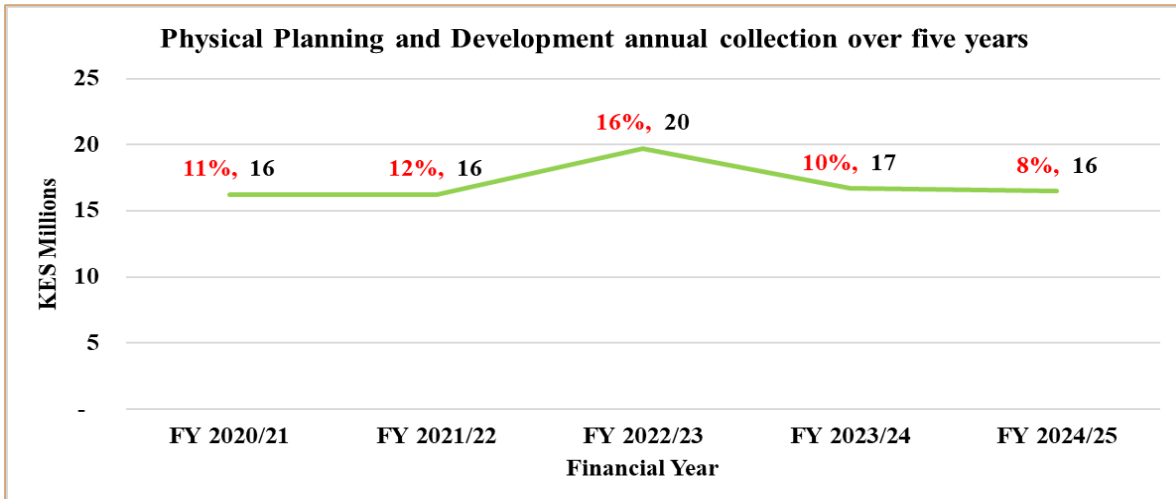
The performance of Mandera County's physical planning and development fees revenue streams was drawn from the Receiver of Revenue statement and the Financial Statements for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and FY 2024-25. **Figure 16** below shows the revenue sub-streams that constitute the physical planning and development fees, including plot transfer and subdivision application fees (91%), building plan approval fees (8%), and other income from the sale of documents (1%).

Figure 16: Physical Planning and Development Revenue Sub-streams



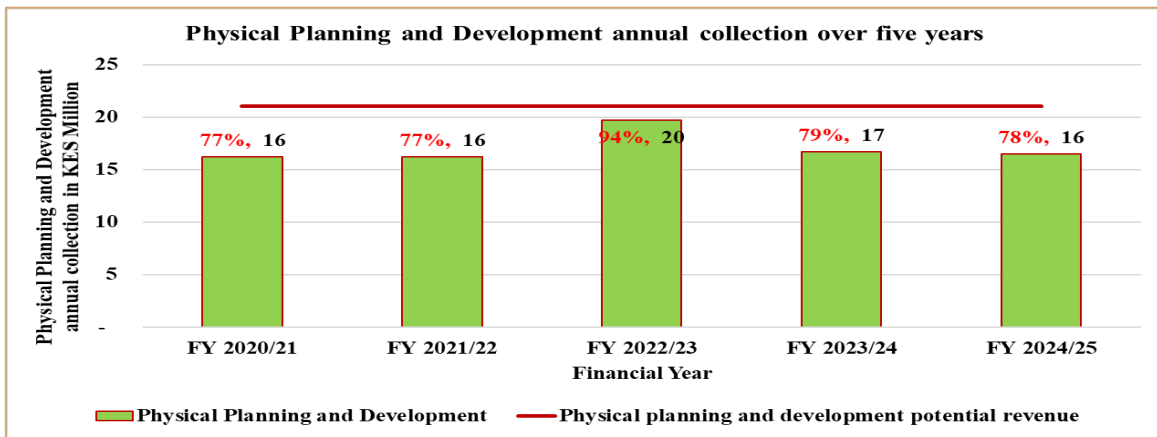
The trend analysis of past physical planning and development revenue performance over the last five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 17**. The average across the years is 11.4 per cent, making it one of Mandera County's principal revenue streams. Property rates revenue has fluctuated; however, it increased in FY 2023/24 and then declined in subsequent years due to the harsh economic conditions faced by local entrepreneurs.

Figure 17: Physical Planning and Development fees annual collection over five years



The five-year revenue review depicts that Mandera County achieved more than 50 per cent of its potential revenue from physical planning and development. In FY 2022/23, the county collected the highest amount over the five years, as shown in **Figure 18**. In the years that followed, revenue declined sharply. This can be attributed to harsh economic conditions, which have led local entrepreneurs to invest in other businesses that offer higher returns. Other challenges include technical staff constraints, weak enforcement mechanisms, obsolete land cadastres, a weak legislative framework, and ratepayers’ resistance to payment.

Figure 18: Physical Planning and Development fees annual collection over five years in comparison to its potential



### 3.43 Potential areas of revenue leakage and causes of under collections

#### (i) Non-compliance with the approval process

This refers to developers bypassing the proper approval process during building construction, which requires the property owner to obtain the necessary permits and undergo the required inspections. Delays in approvals also prompt developers to proceed with construction without

appropriate permits. The lengthy, cumbersome procedures can discourage property owners from seeking proper approvals and paying the required plot transfer and subdivision application fees. This leads to revenue leakage, as fees are not collected for these unauthorised constructions and plot transfers.

#### **(ii) Lack of integration and Data sharing**

The lack of integration between building approval systems and other relevant databases, such as property registration and revenue management systems, can lead to under-collection and non-compliance. In addition, poor record-keeping, due to the absence of data management systems, can contribute to under-collection through inaccurate fee assessment and complicate revenue tracking and reconciliation.

#### **(iii) Inconsistent fee assessment**

The absence of a standardised fee assessment procedure or processes to correct discrepancies in fee calculation methods can lead to revenue losses or overcharging for ratepayers. Moreover, reliance on manual, paper-based approval processes can introduce delays and inefficiencies due to errors and data discrepancies.

#### **(iv) Inadequate monitoring and enforcement**

Insufficient monitoring and enforcement mechanisms can lead to non-compliance with fee payments and with the necessary construction requirements for the safety of the building's occupants. This is due to limited technical staff, resource constraints, and the county's expansive size.

#### **(v) Limited Ratepayers Sensitisation**

The lack of continuous engagement with property owners and developers on the importance of obtaining building approvals and conducting regular inspections can lead developers to overlook these crucial processes. The absence of this awareness among property owners can lead to under-collection and unintentional neglect of their obligations.

### **3.44 Revenue Enhancement Strategies**

#### **(i) Leverage technology on Application and Payment**

Embracing technology by integrating the revenue management system with the property registration, online payment, data management, and building approval platforms. This

streamlining can reduce paperwork and enhance convenience for applicants. The integration will also facilitate improved monitoring, tracking, and reporting, enabling accurate financial statements, real-time data analysis, and effective decision-making.

#### **(ii) Standardised Fee Structure**

Establishing a clear, consistent fee structure based on the project's type, size, and complexity, as well as plot transfers and subdivision exercises, ensures fairness and transparency. In the event of discrepancies, an elaborate process can be prescribed for the property owner to follow. This fee structure should be communicated to applicants in a way that clearly explains the cost implications and expected payment amounts for construction, plot transfer, and subdivision.

#### **(iii) Streamlined Approval Process**

The county should implement simple, efficient approval procedures to expedite the process. A more straightforward, more convenient method for both the technical and revenue collection staff and the applicant will ensure compliance and timely fee payments, thereby increasing revenue.

#### **(iv) Strengthening Compliance in Monitoring and Enforcement Mechanisms**

Implementing a comprehensive compliance monitoring system helps ensure that all building projects subject to approval comply with regulations and pay the required fees. An appropriate legal and policy framework that prescribes regular inspections and audits can help identify non-compliance and enforce appropriate actions, such as penalties or legal action, to safeguard revenue collection.

#### **(v) Regular Stakeholder Engagement**

Providing clear, accessible information to property owners about building plan approval, plot transfer, and subdivision processes, along with the fee structure, will build trust, encourage compliance, and promote transparency. This will definitely help applicants understand their responsibilities in both the technical process and the revenue collection procedure.

### **3.5 Single Business Permit**

It is an authorisation to conduct business, trade, or an occupation in the county, including a profession (excluding the regulation of professions, which involves establishing processes and mechanisms to ensure that professionals in a particular field adhere to standards of competence and ethics as prescribed by their respective professional bodies).

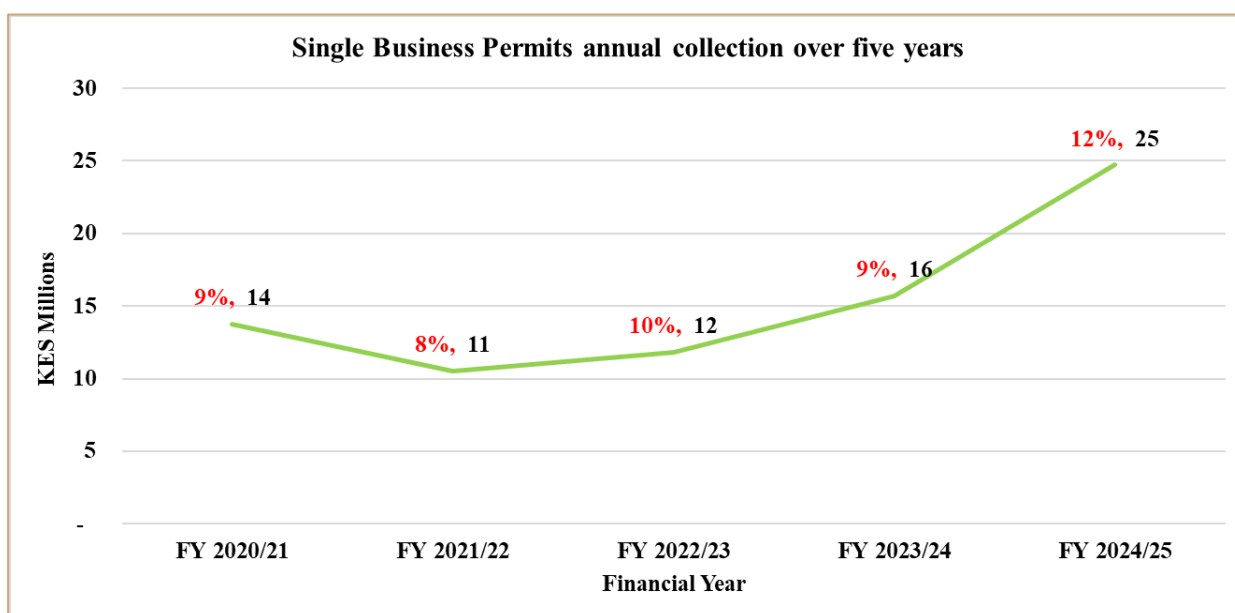
### 3.51 Areas where Single Business Permit fees are collected

Single business permits are issued primarily in the two municipalities of Mandera and Elwak, as well as across the sub-counties. The Trade Licensing Act for Mandera County has not yet been enacted, but is under development. Although the county maintains a business register for enterprises in municipalities and sub-counties, it requires continuous updating to enable adequate service provision and record-keeping, thereby supporting appropriate decision-making and regulatory policy development.

### 3.52 Revenue Collection Analysis

The trend analysis of past single-business permit revenue performance over the last five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 19**. The average across the five years is 10 per cent, making it one of Mandera County's significant revenue streams. SBP's revenue performance has shown slight fluctuations but has consistently grown since FY 2022/23, with a 1% drop in FY 2023/24. This is attributable to the ease of applying for SBP in Mandera County.

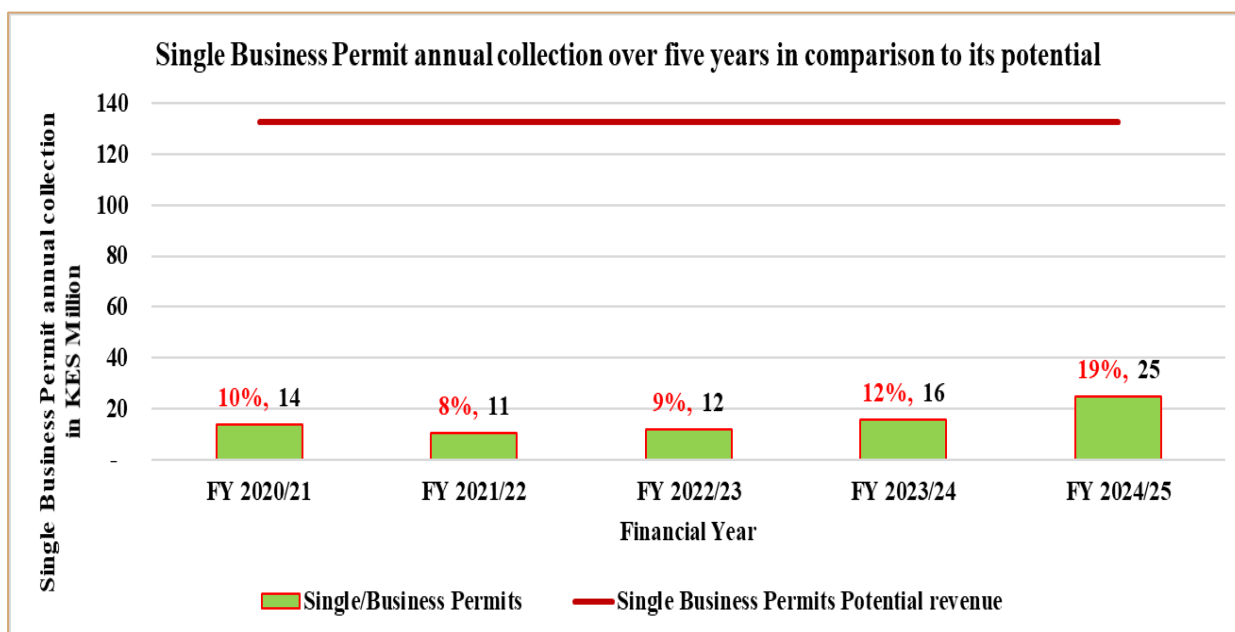
Figure 19: Single Business Permit annual collection over five years



The five-year revenue review shows that Mandera County collected less than 20 per cent of its potential revenue from the single business permit. In FY 2024/25, the county collected the highest amount over the five years, as shown in **Figure 20**. This can be attributed to small traders' resistance to applying for a single business permit. Other challenges include constraints in revenue collection and enforcement, weak enforcement mechanisms, illegal single-business

permits, outdated business registers, a weak legislative and policy framework, and delayed inspections after payment of application fees.

Figure 20: Single Business Permit annual collection over five years in comparison to its potential



### 3.53 Potential areas of revenue leakage and causes of under collections

#### (i) A massive number of unregistered businesses

The county has a high number of unregistered businesses operating in the informal sector. The prevalence of these businesses poses a significant challenge to revenue collection. These traders operate outside the formal licensing and regulatory framework, evading licensing requirements and associated fees, thereby preventing the county from realising its potential.

#### (ii) Weak legal and policy framework

The county does not have a Trade Licensing Act, though one is in development. Reliance on the Finance Acts to set the rates and bases for the SBP poses a high risk of non-compliance. The absence of a substantive primary law with adequate provisions for administration, application and approval processes, authorised documentation, and enforcement mechanisms would result in under-collection. A county Trade Licensing Act will deter the practice of granting unprocedural fee waivers for political motives, regardless of economic considerations.

### **(iii) An unclear description of the revenue base**

An accurate assessment of the SBP is crucial for business categories, associated locations, and fees to ensure correct computation. The criteria for determining fees and charges for particular business categories are unclear, as they are arbitrary or based on the defunct local SBP schedule. There is also a need to include newly introduced business categories for licensing.

### **(iv) Inappropriate Business records and documentation**

The absence of proper documentation and records can hinder accurate assessment and lead to revenue losses. Inadequate or improper documentation makes it difficult to verify the nature and scope of business operations, resulting in inaccurate fee assessments and an inability to identify businesses operating without licences.

### **(v) Limited trader sensitisation and education**

Limited trader sensitisation and education on trade licensing requirements and fee payment have contributed to under-collection. Regular sensitisation campaigns and diverse channels will promote self-regulation in payment matters and foster understanding of their obligations and compliance.

## **3.54 Revenue Enhancement Strategies**

### **(i) Strengthening the Legal Framework**

Enacting the Trade Licensing Bill and its regulations will ensure comprehensive, up-to-date coverage of all business categories, aligned with current economic realities. It will provide a simplified procedure for trade license applications and renewals. This will support the application's existing digital payment platform, thereby improving efficiency and reducing administrative inefficiencies. It will also incorporate the procedure for granting fee waivers, ensuring transparency and accountability in the decision-making process.

### **(ii) Enhancing Record-keeping and documentation**

This documentation provides step-by-step guidelines for businesses on the licensing process, helping to minimise misinterpretation. Therefore, proper documentation and record-keeping will enable accurate fee assessment and collection through digital systems and software. Scheduled inspections are recommended to verify the accuracy and completeness of business records and registers.

### **(iii) Strengthen Compliance and Enforcement**

Improving monitoring and enforcement mechanisms to ensure businesses comply with licensing requirements and fee payment obligations. This can be done through regular inspections, audits, and spot checks to identify non-compliant businesses, with appropriate action taken immediately. Under the relevant enforcement provisions, businesses that fail to obtain or renew licences, or evade payment of fees, are penalised or sanctioned.

### **(iv) Enhance the business owner's awareness and education**

Conducting awareness campaigns for the business on the importance of licensing compliance and the consequences of non-compliance. Providing guidance and training to business owners on licence requirements, fee structures, and payment procedures promotes compliance. This can be delivered through a dedicated help desk or customer service centre to address enquiries and provide assistance to businesses with licensing matters.

### **(v) Regular monitoring and evaluation**

Regular monitoring and evaluation of revenue from trade licences. Conducting periodic assessments to measure the effectiveness of revenue collection strategies and identify areas for improvement. Consistent trend analysis and pattern recognition in revenue collection to detect anomalies or potential leakages, enabling timely corrective action.

## **3.6 Market Fees**

Market fee means the amount of money payable by a trader, vendor, or business for the use of a designated and undesignated market within the county.

### **3.61 Areas where Market fees are collected**

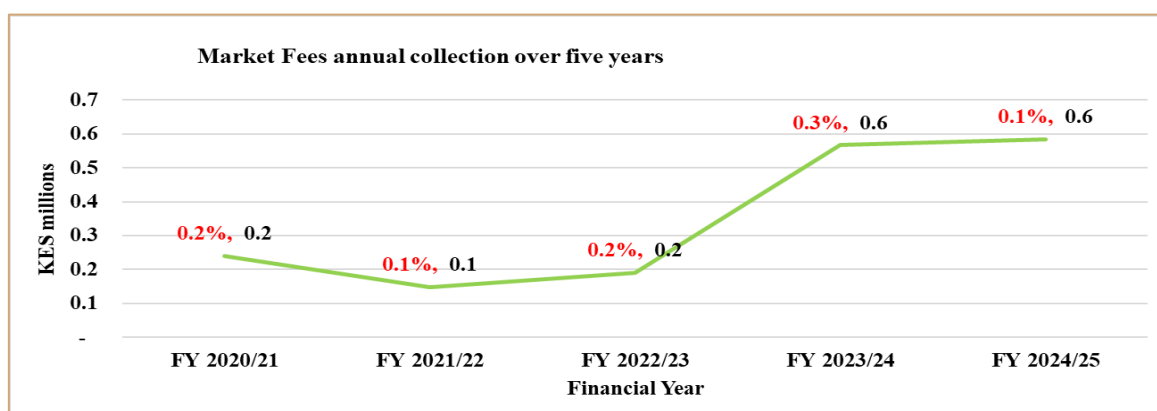
Mandera County has both designated and undesignated markets. The Department of Trade and Cooperative Development provides market infrastructure and regulatory policy. The Directorate of Revenue collects revenue on designated market days. Each of the two municipalities and each sub-county has market infrastructure where traders, hawkers, and vendors conduct business.

### **3.62 Revenue Collection Analysis**

The trend in market fees revenue over the past five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 21**. The average across the five years is 0.2 per cent for the entire collection. Despite this poor performance, it remains one of Mandera County's significant revenue streams. Revenue from market fees has fluctuated but has consistently grown since FY 2022/23

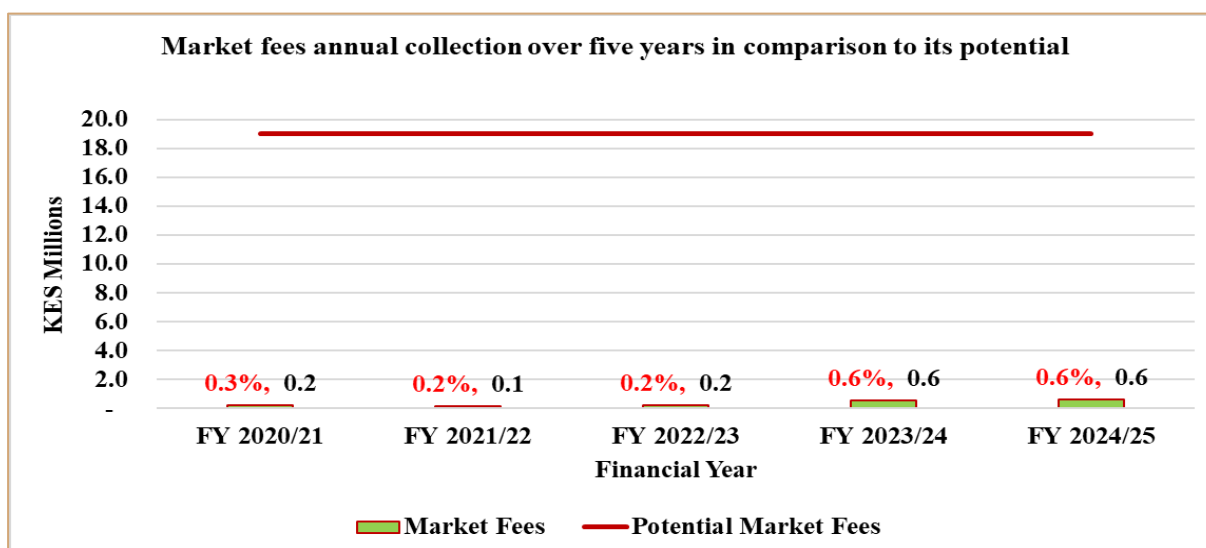
to date. This indicates that, with targeted revenue strategies, market access fees can increase substantially.

Figure 21: Market Fees Annual Collections over five years



The five-year revenue review shows that Mandera County collected less than 1 per cent of its potential revenue from market fees. In FY 2023/24 and FY 2024/25, the county collected the highest amounts over the five years, as shown in **Figure 22**. This can be attributed to enhanced market infrastructure and more precise municipal boundaries, which strengthen revenue collection within municipal boundaries. The main challenges include: a high number of informal markets; trader resistance to fee payment; underutilisation of market facilities; weak enforcement mechanisms; a lack of market registers; a weak legislative and policy framework; and weak market management and governance.

Figure 22: Market fees annual collection over five years in comparison to its potential



### 3.63 Potential areas of revenue leakage and causes of under collections

#### (i) Inadequate market infrastructure

Some markets, in particular open-air and roadside markets, lack modern infrastructure and essential service facilities. These include perimeter fencing, designated vending spaces, sanitation facilities, drainage, a garbage-collection area, and a market-management office. The lack of adequate infrastructure deters traders from complying with market access fee regulations and undermines revenue collection.

#### **(ii) Informal trading and non-compliance**

The prevalence of informal trading in open-air and road markets is a key concern for the collection of market access fees. This is because many vendors engage in unregistered and unauthorised trade, making it difficult for revenue collectors to track and collect fees effectively. Non-adherence to market access regulations hampers accurate revenue assessment and leads to revenue losses.

#### **(iii) Weak market management and governance**

The lack of appropriate governance and management structures in the markets has resulted in significant inefficiencies, under-collection, and underutilisation. The absence of market management committees, a market master, and other governance structures leads to inadequate oversight and accountability. The lack of proper market structures undermines strategic planning and decision-making, and the adoption of ad hoc approaches normalises ineffective communication, making it difficult to comply with market regulations.

#### **(iv) Enforcement challenges**

Enforcing payment of the market access fee is particularly challenging in informal and open-air markets, where supervision is limited. Furthermore, the lack of enforcement in these markets has led to revenue losses and the proliferation of unregulated trading activities.

#### **(v) Trader resistance to fee payment**

Informal markets, such as open-air markets, are held on specific days of the week or vary by season for certain farm produce. The transient nature of these markets makes it difficult to establish revenue-collection and administrative mechanisms. It is also challenging to estimate expected revenue and to assess the performance of revenue collectors assigned to such markets.

### **3.64 Revenue Enhancement Strategies**

#### **(i) Collaboration with traders and stakeholders**

The county should engage with traders and market stakeholders to understand their concerns and challenges and identify opportunities to address issues that may deter them from making payments or operating in the designated market. Also consider registering them in formal market associations, such as trade associations, to facilitate self-regulation and compliance.

#### **(ii) Investing in Modern Market infrastructure**

Enhancing the market with modern infrastructure, including management offices, shade structures, storage areas, a day care, a dispensary, ablution facilities, a prayer room, and cold rooms. It can be an adjacent bus park with parking spaces and loading areas.

#### **(iii) Streamlining the Market governance structures**

Establishing an effective market management committee with an appointed market master will enhance governance and oversight. These structures will ensure adherence to market regulations, effective management of market operations, the resolution of conflicts among traders, and proper fee collection, thereby minimising revenue leakage.

#### **(iv) Strengthening Revenue Monitoring and Enforcement**

Efficient revenue-monitoring and enforcement mechanisms will track fee collections and identify irregularities through regular audits and inspections. This can be achieved through market structures that reduce leakage and ensure traders comply with the payment requirement.

#### **(v) Leveraging Technology**

Introducing online platforms, such as mobile money, that are integrated into revenue management systems. This will streamline market fee collection procedures and minimise cash-handling risks. Additionally, it will ensure data accuracy and efficiency in revenue management, increasing market fee collection.

### **3.7 Parking Fees**

This is a fee charged for parking for motorised vehicles (Motor Vehicles/Motorbikes/TukTuks /Bicycles/Boats) and non-motorised (trolleys, handcarts, animal-pulled carts) modes of transport in designated areas within a county in a specified time and period, depending on the size and type.

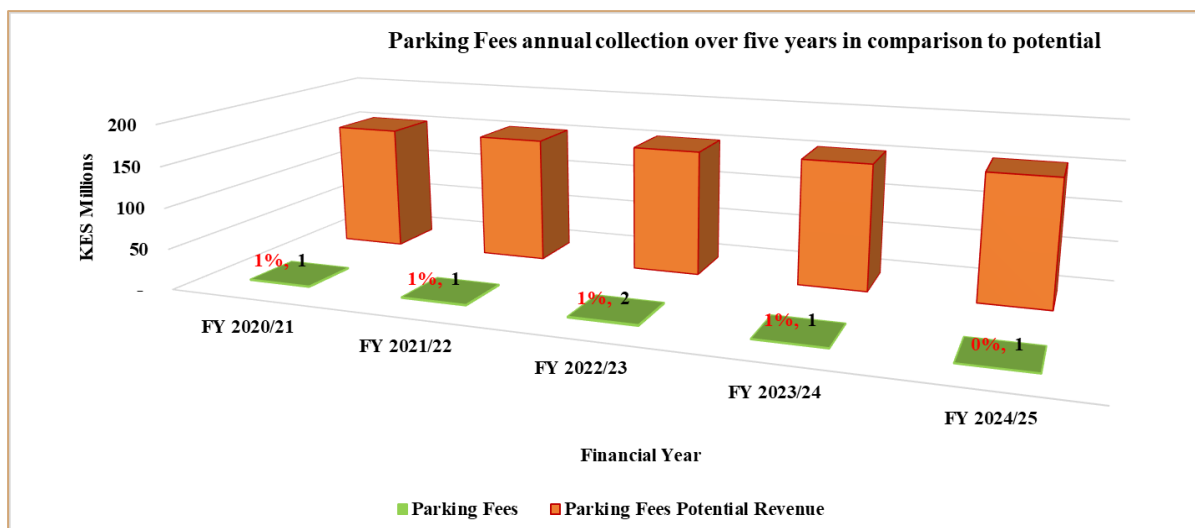
### 3.71 Areas where Parking fees are collected

Parking fees are primarily collected in the two municipalities of Mandera and Elwak, at strategic barriers designated by the Directorate of Revenue to facilitate revenue collection, given the limited number of revenue collectors. The Parking Fees Act for Mandera County has not yet been enacted, although its development is scheduled for a later date.

### 3.72 Revenue Collection Analysis

The performance of the parking fee revenue stream over the past five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 23**. The average across the five years is 1 per cent for the entire collection. Nonetheless, even with its poor performance, it remains one of Mandera County's key revenue streams. Revenue from parking fees has remained constant over the past five years. By identifying revenue leaks and streamlining procedures, infrastructure parking fees can increase substantially towards the potential revenue.

Figure 23: Parking fees annual collection over five years in comparison to its potential



### 3.73 Potential areas of revenue leakage and causes of under collections

#### (i) Insufficient Parking Infrastructure

Parking in Mandera County is limited, and parking facilities are inadequate. Also, the lack of amenities such as marked parking and street lighting. Furthermore, vehicles are parked along roads, around buildings, and in bus parks. The lack of gazetted parking slots in municipalities and towns results in under-collection and potential revenue losses.

#### (ii) Resistance to Fee Payment

Motorists deliberately avoid paying by exploiting loopholes or fraudulent methods to avoid paying at the barriers. Unclear parking payment procedures cause delay and potential revenue loss.

### **(iii) Inadequate Enforcement**

The limited number of parking attendants and enforcement officers responsible for monitoring parking areas and promptly addressing non-compliance results in revenue losses. Insufficient information on parking regulations, rates, and payment methods leads to persistent non-adherence.

### **(iv) Weak legal and policy framework**

The absence of parking regulations and designated parking areas prescribed by policy or Act prevents the realisation of potential revenue. Additionally, it impedes effective enforcement of the law, including the imposition of prescribed penalties for non-compliance.

### **(v) Inefficient fee collection processes**

Revenue procedures not prescribed by law may result in losses due to lengthy, cumbersome fee-collection processes. Delays caused by disruptions, combined with limited parking attendants and enforcement officers, can lead to losses. Additionally, a mismatch between services and corresponding parking fees may lead to payment resistance.

## **3.74 Revenue Enhancement Strategies**

### **(i) Embrace technology**

Implement a parking management system to minimise fee evasion and improve fee collection efficiency. Integrate the parking management system with the revenue management system and promote mobile payment adoption.

### **(ii) Invest in Parking infrastructure**

Provide gazetted designated parking bays, together with other amenities such as ablution facilities, water, security, street lighting, and seating areas. Also, the construction of the modern bus park can increase revenue collection.

### **(iii) Developing the Mandera County Parking Act**

Conducting a comprehensive assessment of parking demand and the types of designated parking spaces required will ensure this legal instrument is holistic. Additionally, developing it

through stakeholder engagement will ensure buy-in and facilitate compliance. It will also consider enforcement provisions for non-adherence.

#### **(iv) Stakeholder engagement**

Engage stakeholders regularly across channels, including social media, radio, and billboards. Conduct educational forums with the community, traders, and the public on parking regulations, available payment platforms, and customer service contact information.

#### **(v) Strengthening enforcement efforts**

Streamlining the procedures of enforcement through imposing strict penalties for violations, including fines and vehicle immobilisation. In addition, integrating with national databases, such as those maintained by the National Transport and Safety Authority, can enable e-clamping for non-compliance.

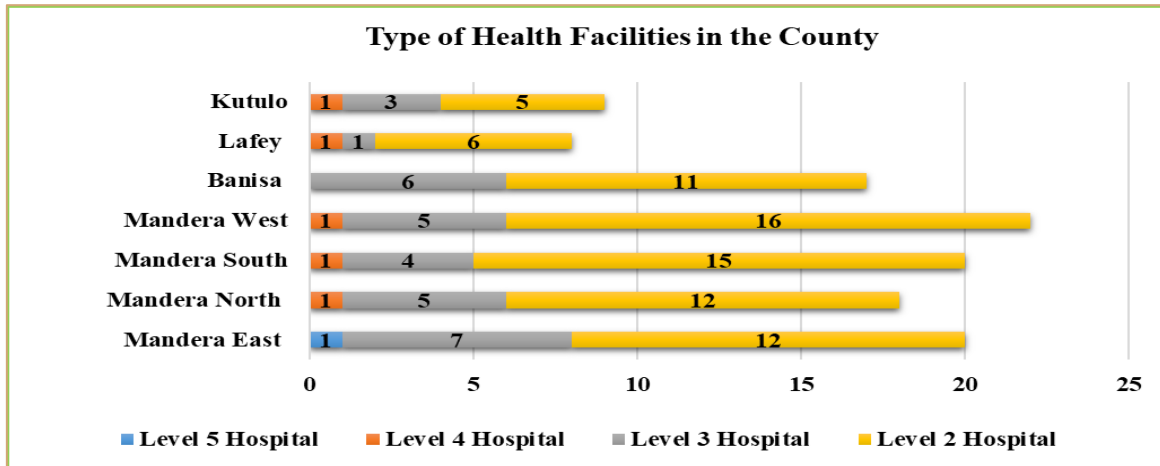
### **3.8 Hospital and Public Health Fees**

Hospital fees are service charges paid by individuals, including insurance reimbursements, for the use of public hospital facilities in a county. In addition, Public Health fees are licences/fees charged on business premises and individuals, including commercial buildings, hoteliers, and public institutions, to safeguard and promote public health in the county.

#### **3.8.1 Areas where Hospital and Public Health Fees are collected**

County Government of Mandera has one Level 5 Hospital (**1**), five Level 4 Hospitals (**5**), thirty-one Level 3 Hospitals (**31**), and seventy-seven Level 2 Hospitals (**77**) across various sub-counties, as shown in **Figure 24**.

Figure 24: Type of Health Facilities in the County



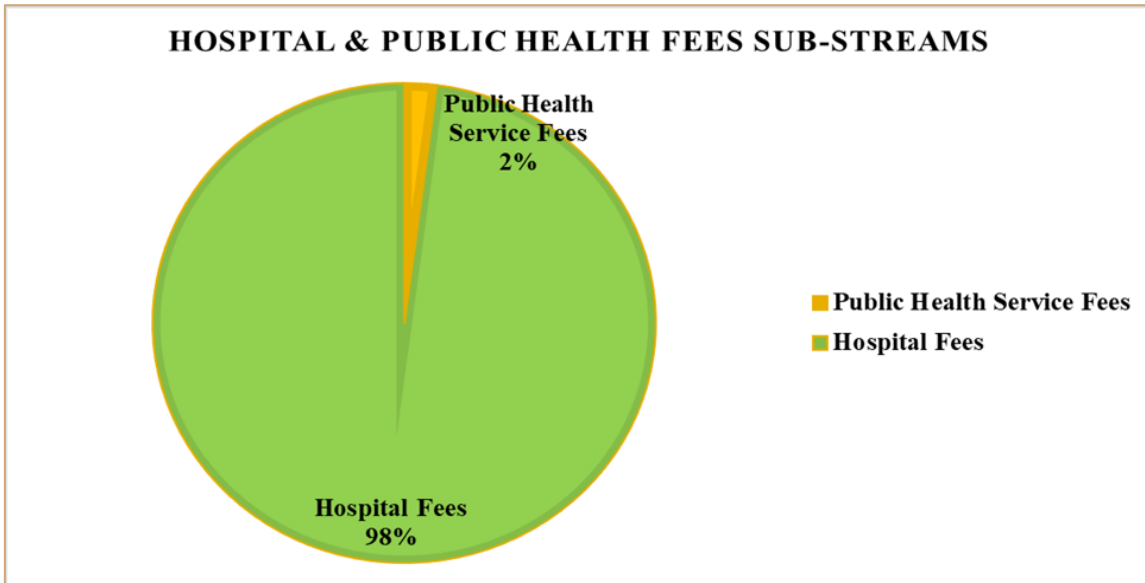
The public health certificate is issued across the sub-county in the following areas:

- (i) Approval of building plans (as per applicable categories).
- (ii) Licensing of food and non-food premises, including restaurants, hotels, kiosks, eating houses, slaughterhouses, and barbershops.
- (iii) Inspection and certification of clinics and dispensaries.
- (iv) Issuance of medical certificates for food handlers.
- (v) Administration of typhoid vaccinations for food handlers.
- (vi) Provision of yellow fever vaccinations under the Port Health Services.

### 3.82 Revenue Collection Analysis

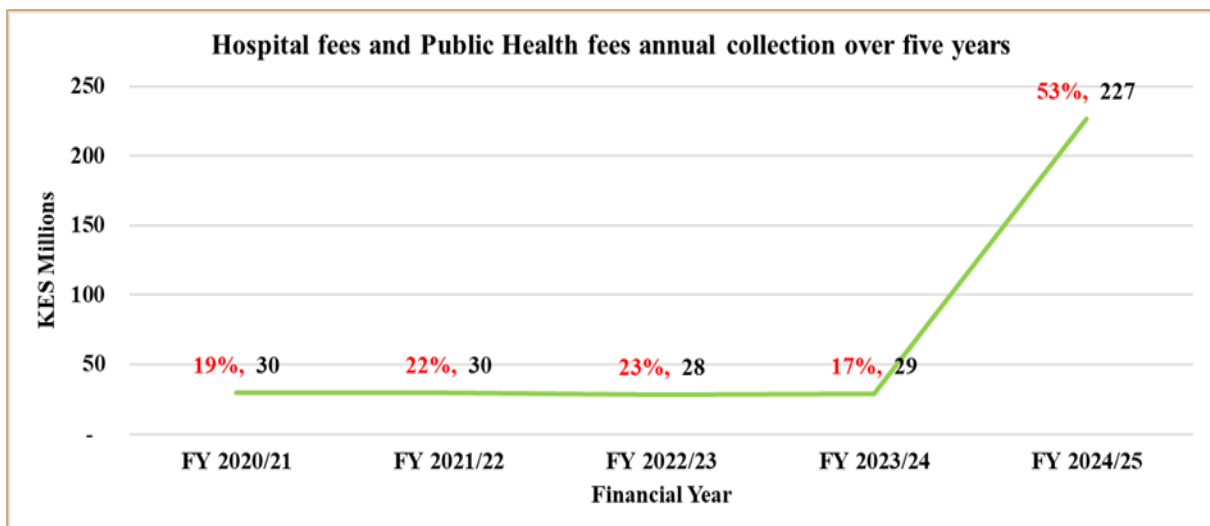
The performance of Hospital and Public Health fee revenue streams was derived from the Receiver of Revenue statement and the FIF Financial Statements for FY 2020-21 through FY 2024-25. **Figure 25** below shows the revenue sub-streams that constitute Hospital fees (98%) and Public Health fees (2%) across the sub-counties.

Figure 25: Hospital and Public Health Fees Revenue Sub-streams



The trend analysis of past Hospital and Public Health Fees revenue performance over the last five years, from FY 2020/21 to FY 2024/25, is shown in **Figure 26**. The average across the years is 27 per cent, making it one of Mandera County's main revenue streams. Hospital and Public Health Fees revenue performance has shown slight fluctuations but has consistently grown since FY 2020/21, with a 6% decline in FY 2023/24, followed by supernormal growth of 36% in FY 2024/25. This is attributable to the introduction of the Facilities Improvement Financing (FIF) in FY 2023/24. This law established a legal framework for county governments to institutionalise the collection, retention, and use of revenue by health facilities.

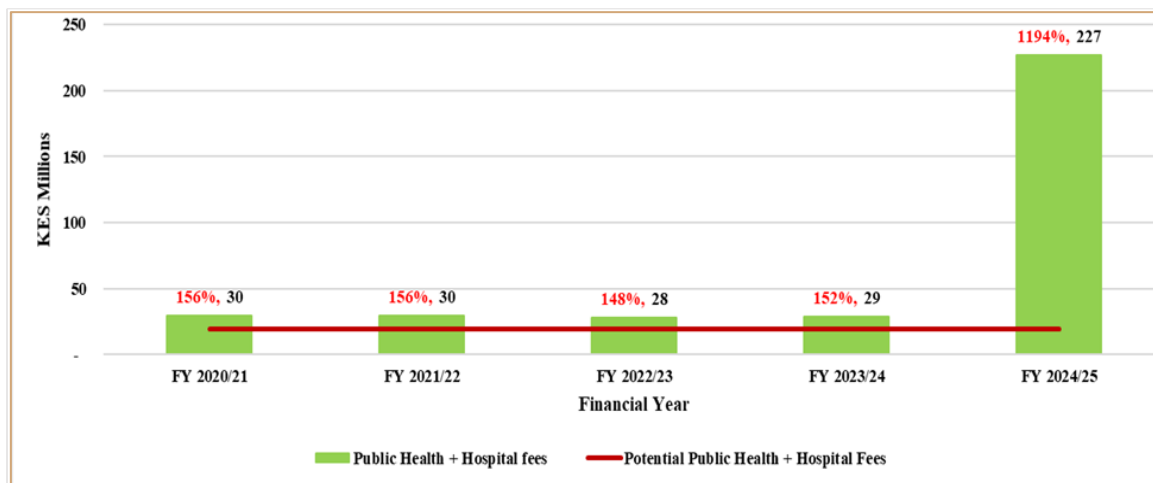
Figure 26: Hospital and Public Health Fees Annual Collections over five years



The five-year revenue review shows that Mandera County exceeded 100 per cent of its potential revenue from the Hospital and Public Health Fees revenue stream. In FY 2024/25, the

county collected the highest amount over the five years, as shown in **Figure 27**. In the years that followed, revenue gradually grew. This can be attributed to ongoing improvements in health facilities and the enactment of the FIF legislation.

**Figure 27: Hospital and Public Health Fees over five years in comparison to its potential**



### 3.83 Potential areas of revenue leakage and causes of under collections

#### (i) Limited technical staff and revenue collectors

Health facilities have limited technical staff, and revenue collection points are scarce due to a shortage of revenue collectors. This adversely affects revenue performance, as patients shift to the nearby private hospital. Additionally, insufficient training and capacity-building programs for healthcare staff limit patient services due to a lack of expertise.

#### (ii) Inadequate Revenue monitoring and analysis

Inconsistent monitoring, together with unscheduled revenue performance analyses, can make it challenging to identify under-collection or revenue leakage. Without regular monitoring, revenue concerns may go unnoticed, leading to financial instability and cessation of service provision.

#### (iii) Lack of hospital equipment and amenities

The absence of hospital equipment for specialised treatment can result in revenue losses. Such basic equipment includes CT scanners, MRI machines, dialysis equipment, and X-ray machines. Provision of specialised services by ENT, dentistry, and ophthalmology, amongst others. The other amenities include a mortuary, a theatre, maternity wards, and private wings. The ambulance service is unavailable for emergencies. These are untapped revenue sources that the county should leverage to increase its revenue collection.

#### **(iv) Absence of a Health Integrated Management System**

The County Government of Mandera 's health facilities operate without a Health Integrated Management System, which could streamline processes for service coding, billing, performance management, hospital supply management, and patient and healthcare staff documentation. Further integration with the revenue management system will enable the establishment of appropriate financial controls and revenue-collection procedures, including segregation of duties, daily reconciliations, and consolidated financial reporting.

#### **(v) Fee waiver and Exemption**

Inconsistent or improper application of fee waivers and exemptions results in revenue loss. A lack of clear guidelines and oversight in the granting of fee waivers and exemptions can lead to fee abuse and under collection. These fee waivers and exemptions are granted regardless of the financial impact on health facility operations, which may, in turn, adversely affect revenue collection.

#### **(vi) Inefficiency fee assessment and revenue collection procedures**

The untimely and inconsistent implementation of the fee schedule in the annual Finance Acts, including delays in updating the most recent fee structure, results in revenue loss. Inefficient claims processing for SHA insurance subsequently delays or denies reimbursement and payment, leading to revenue losses. Moreover, failing to follow the prescribed reimbursement process, including timely claim submission and follow-up, results in under-collection.

### **3.84 Revenue Enhancement Strategies**

#### **(i) Enhance documentation and code practices**

Implementing standardised coding and documentation processes will ensure accurate billing, accounting, and reporting for healthcare services provided. This can be achieved by consistently training both healthcare and revenue collectors.

#### **(ii) Scheduled revenue monitoring and audits**

Establish robust systems within the Health Integrated Management System and the revenue management system ensure scheduled monitoring of the revenue collection. It will enable the implementation of financial controls to identify and address revenue leakage promptly.

#### **(iii) Optimise Insurance Reimbursement Procedures**

This streamlines the claim management system, accelerating the claim process through registration, accurate billing, timely submission, and reimbursement follow-up. It also promptly addresses any denials or delayed reimbursements stemming from manual errors and inconsistent documentation.

#### **(iv) Establish Controls for discount, exemption and waiver**

Developing and implementing a waiver policy which guides application and approval processes for granting discounts and waivers. Scheduled monitoring and review of the application discount and waiver to ensure compliance with established protocols, as well as assessing the impact of the waiver revenue on the entire revenue collection.

#### **(v) Leverage on technology**

Embracing technology through the integration of healthcare and revenue management can strengthen financial controls, ensuring reconciliation, segregation of duties, hospital supply management, procurement processes, performance management, and internal controls. In addition, it enables collaboration and data exchange among county healthcare facilities, other departments, and national government agencies.

#### **(vi) Enhancement of the hospital infrastructure and equipment**

Gradually equipping the hospital with essential equipment for specialised treatment can increase revenue. Such basic equipment includes CT scanners, MRI machines, dialysis equipment, and X-ray machines. Moreover, other amenities include a mortuary, a theatre, maternity wards, private wings, and ambulance services.

### **3.9 Income from Water Management**

The income from water management can be considered as Public utility fees, which are charges payable to county government entities or utility providers for essential services, including water and sanitation, wayleaves, telecommunications masts, and distribution/transmission lines for electricity.

#### **3.9.1 Areas where cess fees are collected**

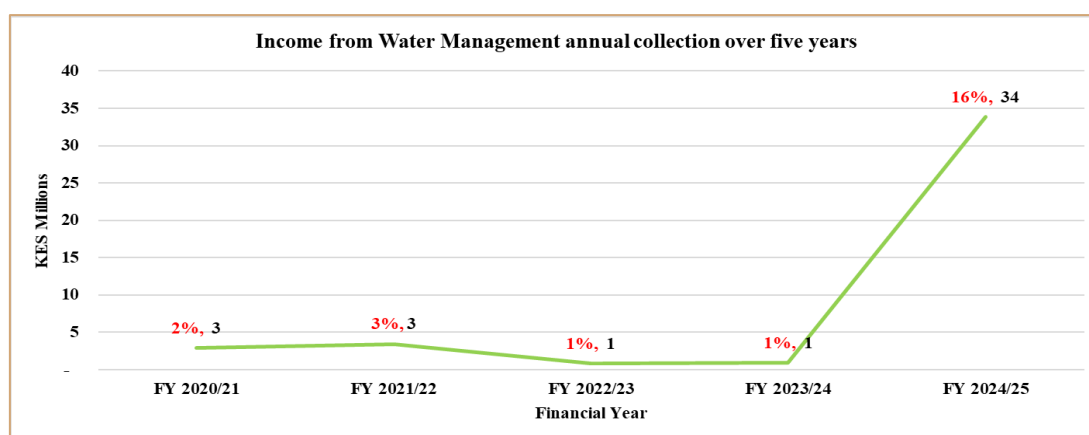
Access to water has improved significantly since devolution, with the average distance to water points reduced to 10 kilometres. Despite these gains, Mandera County still lacks a functional sewerage system. The county operates 202 boreholes, each with production capacities of 8–12 cubic metres per hour. Of these, 88 are strategic boreholes with higher yields that support both

domestic and commercial consumption. Water kiosks, powered by fuel and solar energy, are metered, enabling direct collection of user fees.

### 3.92 Revenue Collection Analysis

**Figure 28** shows the trend in Income from Water Management revenue over the past five years, from FY 2020/21 to FY 2024/25. The average across the five years is 4.6 per cent of the entire collection. The Income from Water Management revenue stream has fluctuated but has consistently grown, with a slight decline in FY 2022/23. In recent years, it has grown significantly, reaching 16% of the entire collection in FY 2024/25.

Figure 28: Income from Water Management annual collection over five years



### 3.93 Potential areas of revenue leakage and causes of under collections

#### (i) The limited revenue collection staff

Using casual staff as revenue collectors and attendants at boreholes and water kiosks would be detrimental to revenue collection, as they lack the sense of ownership and accountability.

#### (ii) Weak revenue collection procedure

Revenue collection depends on a sound fee assessment structure and its implementation, as guided by the legal and policy framework. It requires monitoring revenue procedures and training revenue collectors to ensure adherence and deter revenue losses.

#### (iii) Lack of Recurrent expenditure budgeting

The absence of budgeting for the recurrent expenditure of the borehole and water kiosks, including wages and fuel, would result in revenue losses if monitoring is conducted. The county government needs to implement financial controls and audit checks.

#### (iv) Insufficient Water Infrastructure

Given Mandera County's expansive land area, the persistent drought over the past four years has necessitated installing boreholes to provide water for residents and livestock. However, this has high-cost implications for the county; therefore, the revenue from economies of scale from installing a large number of boreholes and water kiosks is not being realised. Additionally, the county government cannot substantially augment water infrastructure due to competing needs. Moreover, the closure of a water kiosk or a borehole would result in revenue losses.

#### **(v) Poor maintenance of the water infrastructure**

The insufficient allocation for maintaining the county's water infrastructure, including boreholes and kiosks, has led the county government to lose substantial revenue due to continuous interruptions.

### **3.94 Revenue Enhancement Strategies**

#### **(i) Sufficient Budgeting Allocation for Running cost**

The County Government should ensure that recurrent costs are covered through the county budget rather than from revenues collected at source. This will improve the operation of water management services by ensuring accountability and the remittance of all revenues.

#### **(ii) Collaboration with other stakeholders**

The Department of Water, Energy, Environment, and Climate Change should explore strategic partnerships with the private sector, donor partners, and NGOs to install, manage and operate water services. Such partnerships could bring technical expertise, improve efficiency, and reduce the county's burden.

#### **(iii) Revenue Diversification**

The county should broaden its revenue base beyond borehole and kiosk charges in the water sector by introducing sewerage services in urban areas. This will improve sanitation and provide an additional, sustainable revenue stream.

#### **(iv) Embracing technology**

Currently, work processes are largely manual; therefore, automating water kiosks and integrating them with the revenue collection and management system will minimise waste, reduce opportunities for mismanagement, and enhance transparency.

#### **(v) Public awareness and sensitisation**

The Department of Water, Energy, Environment, and Climate Change and Finance and Economic Planning lacks a dedicated help desk or customer service centre to inform ratepayers about improved service and payment options, thereby enabling timely payments and fostering accountability.

### **3.10 Administration Control Fees and Charges**

These are levies imposed by the county government on public and private entities for administrative activities, including the inspection of weights and measures equipment, liquor licensing, betting control, and fire inspection services. This ensures compliance with legal, safety, and operational standards for businesses, institutions, and individuals.

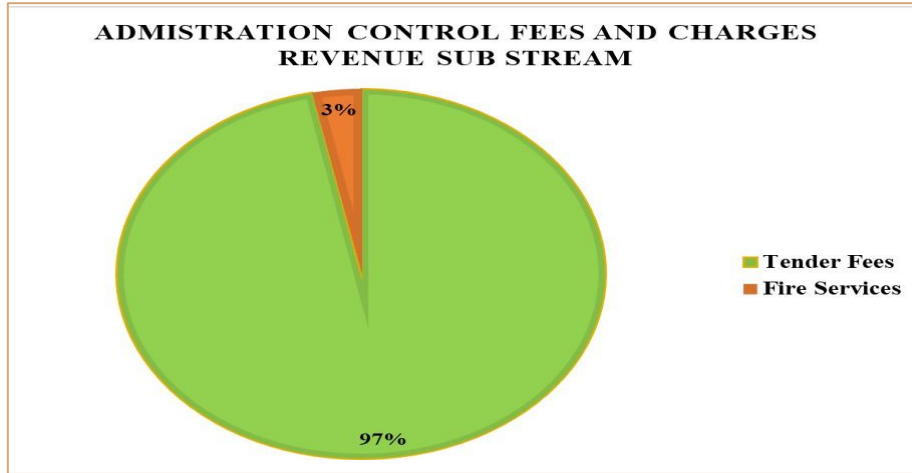
### **3.10 Areas where Administration Control Fees and Charges are collected**

Administration Control Fees and Charges are primarily collected in the two municipalities of Mandera and Elwak by revenue collectors assigned by the Directorate of Revenue, in accordance with the services provided.

### **3.11 Revenue Collection Analysis**

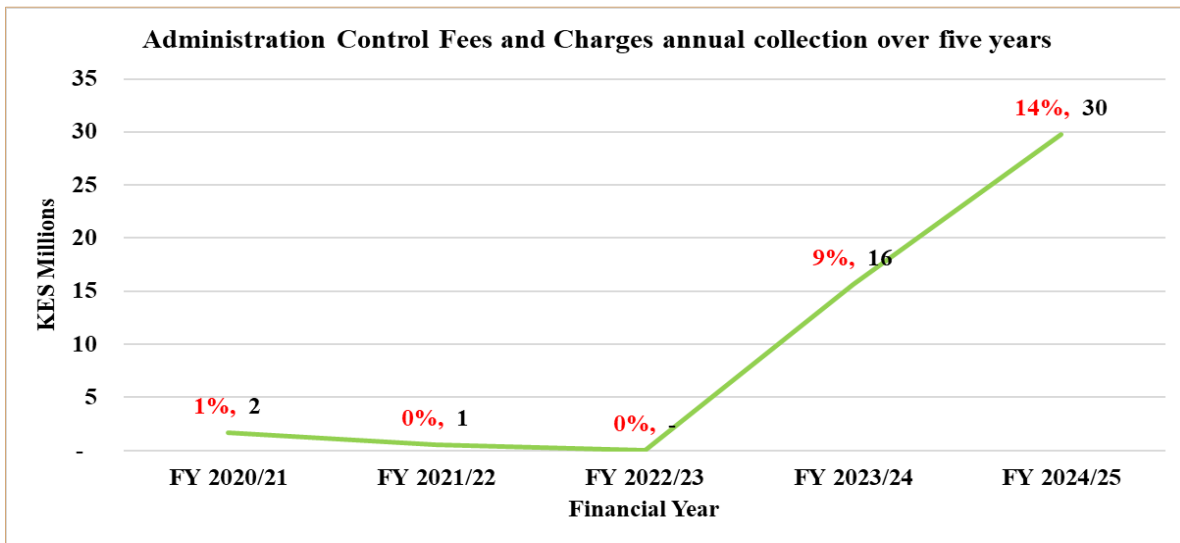
The performance of Administration Control Fees and Charges Revenue Streams was derived from the Receiver of Revenue statement and the Financial Statements for FY 2020-21 through FY 2024-25. **Figure 29** below shows the revenue sub-streams that constitute Fire services (3%) and Tender fees (97%) across the sub-counties.

Figure 29: Administrative Control Fees and Charges Revenue Streams



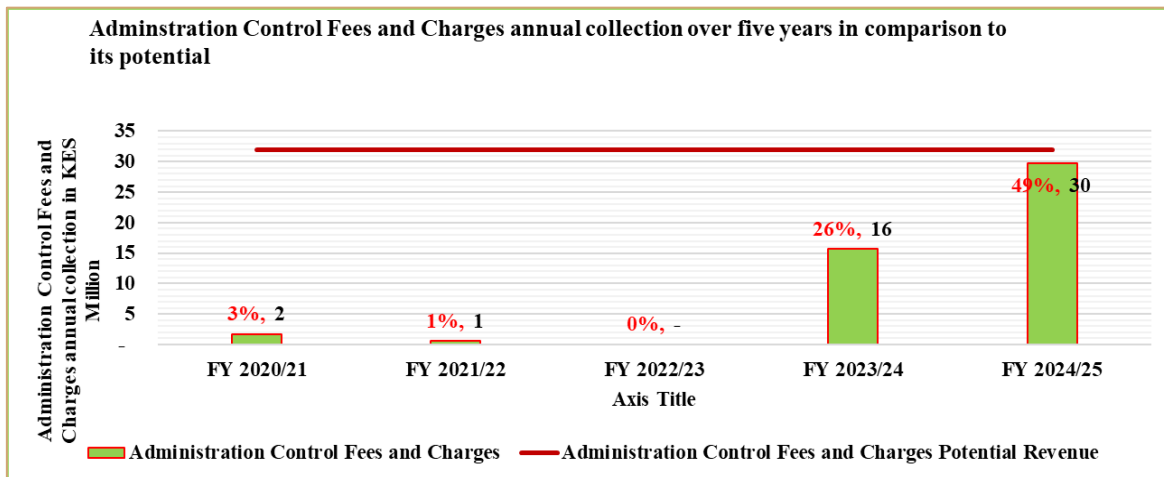
The trend analysis of Administration Control Fees and Charges revenue stream is over the past five years, from FY 2020/21 to FY 2024/25, as shown in **Figure 30**. The average across the five years is 5.2 per cent of the entire collection. The Administrative Control Fees and Charges revenue stream has fluctuated but has consistently grown, with a slight decline in FY 2022/23. In recent years, it has grown significantly, reaching 14% of the entire collection in FY 2024/25.

Figure 30: Administrative Control Fees and Charges annual collection for five years



The five-year revenue review shows that Mandera County collected less than 50 per cent of its potential revenue from Administration Control Fees and Charges. In FY 2024/25, the county collected the highest amount over the five years, as shown in **Figure 31**. This can be attributed to the delineation of the two municipalities, which has strengthened revenue collection. The main challenge is that some revenue streams, such as the sale of tender documents, are periodic or one-off.

Figure 31: Administration Control Fees and Charges annual collection over five years in comparison to its potential



### 3.12 Potential areas of revenue leakage and causes of under collections

#### (i) Periodic of One-Off Revenue Stream

The revenue streams associated with Administration Control Fees and Charges are intended to support compliance with legal, safety, and operational standards for businesses, institutions, and individuals. Therefore, in most cases, entities comply, making it difficult to increase revenue collection in certain sub-streams associated with one-off payments.

#### (ii) Manual revenue collection procedures

Revenue collection is manual and rarely integrated with other revenue streams. Additionally, manual procedures are prone to errors and discrepancies, which can lead to revenue losses and leakage.

#### (iii) Limited number of technical staff

The Administration Control Fees and Charges revenue stream relies on specialised personnel who ensure compliance with legal, safety, and operational standards for businesses, institutions, and individuals. The absence of these experts can result in revenue losses due to misaligned fee structures and inaccurate fee assessments.

#### (iv) Lack of proper documentation and a sharing platform

The absence of a digital platform for storing and sharing documents with other departments, such as Physical Planning and Development Control, would result in ratepayers being overcharged or undercharged, leading to revenue losses.

#### (v) Absence of ratepayers' education and sensitisation

Ratepayers may be unaware of the legal, safety, and operational standards applicable to their business, construction, or facility. This can lead to under-collection, as these payments may not be forthcoming.

### **3.13 Revenue Enhancement Strategies**

#### **(i) Embracing technology**

Leveraging a digital platform will enable application, inspection, approval, payment, certification, safeguarding of documentation, and integration with the revenue management system and any other county-owned systems.

#### **(ii) Twining with other revenue streams**

Some of these services can be combined with other mainstream revenue streams, for instance, SBP, Building Plans Approval, and Property rent. Therefore, when you pay, for example, SBP, you are required to obtain compliance certificates, such as a Fire Inspection Certificate.

#### **(iii) Stakeholder engagement**

Conducting scheduled stakeholder engagement on the importance of complying with legal, safety, and operational standards. In addition, the fee structure, required documentation, inspection timeline, and the type of certification to be issued as proof of compliance are covered.

#### **(iv) Revenue diversification**

The creation of the municipalities needs to increase other revenue streams in this Administration Control Fees and Charges category to broaden their revenue base. For example, include inspection revenue from weights-and-measures equipment assessments, since both produce and livestock markets use different weighing machines.

#### **(v) Strengthening the enforcement mechanism**

The development of an appropriate primary revenue legal and policy framework for Administration Control Fees and Charges, covering all revenue streams, collection procedures, fee structures, inspection and approval processes, and certification documentation. Also, the enforcement mechanism provisions are to ensure compliance with legal, safety, and operational standards and to safeguard against revenue losses.

## CHAPTER FOUR: COUNTY GOVERNMENT OF MANDERA REVENUE MOBILISATION STRATEGIC PLAN

**Table 3: County Government of Mandera Revenue Mobilisation Strategic Plan**

Strategy	Responsible Office(s)	Timeline
<b>1. Cess</b>		
1.1. Acquire and install digital payment platforms to support revenue collection & monitoring	CECM Finance and Economic Planning, CCO Revenue Service, CECM Agriculture, Livestock & Fisheries & CECM Water, Energy, Environment, and Climate Change, Director ICT, Municipal Manager	31 October 2026
1.2. Establishing an enforcement task force to support tracking revenue administration and collection	CECM Finance and Economic Planning, CCO Revenue Service, CECM Agriculture, Livestock & Fisheries & CECM Water, Energy, Environment, and Climate Change, Municipal manager	30 Apr 2026
1.3. Conduct regular public sensitisation campaigns	CECM Finance and Economic Planning, CCO Revenue Service, CECM Agriculture, Livestock & Fisheries & CECM Water, Energy, Environment, and Climate Change, Municipal Manager, Communication Unit	continuous
1.4. Develop the policies and regulations for revenue administration and collection	CECM Finance and Economic Planning, CCO Revenue Service, CECM Agriculture, Livestock & Fisheries & CECM Water, Energy, Environment, and Climate Change, Municipal Manager, County Attorney	31 Jan 2027
1.5. Conduct scheduled revenue audits with a focus on reporting	CECM Finance and Economic Planning, CCO Revenue Service, Internal Auditor	annual
1.6. Investing in modern infrastructure	CECM Finance and Economic Planning, CCO Revenue Service, CECM Agriculture, Livestock & Fisheries & CECM Water, Energy, Environment, and Climate Change, Municipal Manager	1 Feb 2026 – 30 Jun 2028

Strategy	Responsible Office(s)	Timeline
<b>2. Property rates</b>		
2.1. Develop a legal framework, including a County Rating Act and updated Valuation Roll to guide property rate administration	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, County Attorney, Municipal Manager	1 Mar 2026
2.2. Map land and property across the county to support valuation and billing	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Department of Physical Planning and Development Control, Municipal Manager	1 Feb 2026
2.3. Automate land records and processes through full implementation of a Land Information Management System (LIMS)	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, and Director ICT, Municipal Manager	1 Feb 2026 – 28 Feb 2028
2.4. Deploy technical officers (surveyors and planners) to sub-counties to support field operations	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, County HR Directorate	Continuous
2.5. Train technical staff on the use and application of the County Land Information Management System (CLIMS)	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Municipal Manager	1 Jan 2027 – 31 Dec 2027
2.6. Conduct stakeholder sensitisation on property valuation, billing, and payment obligations	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Municipal Manager, Communications Unit	Continuous
2.7. Strengthen enforcement mechanisms in line with the Rating Act to improve compliance	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, County Inspectorate, County Attorney	Continuous
<b>3. Property rent</b>		

Strategy	Responsible Office(s)	Timeline
3.1. Strengthen enforcement mechanisms in line with the relevant law to improve compliance	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, County Inspectorate, County Attorney	Continuous
3.2. Automate the revenue collection and administration of county rental property	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, Director ICT	1 Feb 2026 – 31 Jan 2027
3.3. Conduct scheduled stakeholder engagement	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, Communication Unit	Continuous
3.4. Development of the legal and policy for Property Rent	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, County Attorney	1 Feb 2026 – 31 Jan 2027
3.5. Development of a maintenance schedule for Rental Properties for budget allocation	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, Municipal Manager	Annual
<b>4. Physical Planning and Development Control</b>		
4.1. Acquire and install ICT infrastructure to support automated billing and claims processing in building approval and plot subdivision	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Department of Physical Planning and Development Control, Director ICT and Municipal Manager	1 Feb 2026 – 31 Jul 2027
4.2. Standardise the fee structure and the assessment procedure	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and	1 Feb 2026 – 31 Oct 2026

Strategy	Responsible Office(s)	Timeline
	Urban Development, Department of Physical Planning and Development Control, Municipal Manager	
4.3. Develop a procedural workflow of the application, inspection, approval, payment and certification	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Department of Physical Planning and Development Control	1 Feb 2026 – 31 Jan 2027
4.4. Strengthen compliance in monitoring and enforcement mechanisms in line with the Physical Planning and Development Control legal framework	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Department of Physical Planning and Development Control, County Attorney and Municipal Manager	Continuous
4.5. Conduct regular stakeholder engagement for sensitisation of the revenue administration and collection	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, Department of Physical Planning and Development Control, Communication Unit and Municipal Manager	Continuous
<b>5. Trade Licensing Fees/ Single Business Permit</b>		
5.1. Develop a legal framework to govern trade licensing, fee structures, compliance, and enforcement	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, County Attorney, County Inspectorate	1 Feb 2026
5.2. Conduct annual mapping of all businesses to identify and register new and existing traders	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, Department of Economic Planning and Municipal Manager	Feb–Mar 2026
5.3. Update and maintain an accurate business register and cadastral records for licensing purposes	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, CECM Lands and	Continuous

Strategy	Responsible Office(s)	Timeline
	Urban Development, Department of Economic Planning and Municipal Manager	
5.4. Integrate the Single Business Permit (SBP) system with GIS to improve spatial tracking and compliance	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development, Director ICT	1 Feb 2026 – 28 Feb 2028
5.5. Carry out stakeholder sensitisation on the digital SBP system and licensing procedures	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development and Communication Unit	Continuous
5.6. Conduct structured monitoring enforcement operations to ensure licensing compliance and address revenue leakages	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, County Inspectorate and Municipal Manager	Continuous
<b>6. Market fees</b>		
6.1. Provide essential services to support structured market operations and enhance compliance	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development and County Inspectorate	Continuous
6.2. Upgrade existing market infrastructure to improve functionality and revenue collection through automation	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, CECM Lands and Urban Development, Department of Economic Planning and Municipal Manager	1 Jul 2026 – 30 Jun 2028
6.3. Conduct awareness campaigns targeting traders on market fee policies and payment systems	CECM Finance and Economic Planning, CCO Revenue Service, CECM Lands and Urban Development, CECM Trade and Cooperative Development and Communication Unit	Continuous

Strategy	Responsible Office(s)	Timeline
6.4. Carry out enforcement operations to ensure trader compliance with market fee requirements	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development and County Inspectorate	Continuous
6.5. Develop a legal framework to support market fee administration and enforcement	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, County Attorney	1 Feb 2026 – 31 Jan 2027
6.6. Establish and build the capacity of market management committees to support revenue oversight	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade and Cooperative Development, Department of Public Service	1 Feb 2026 – 31 Dec 2027
6.7. Operationalise inactive markets to expand the revenue base and improve trader accessibility	CECM Finance and Economic Planning, CCO Revenue Service, CECM Trade, CECM Finance and Economic Planning, CECM Trade and Cooperative Development, Municipal Manager	1 Feb 2026 – 30 Jun 2028
<b>7. Hospital and Public Health Fee</b>		
7.1. Acquire and install ICT infrastructure to support automated billing and claims processing in health facilities	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Service, Director ICT	1 Feb 2026 – 31 Jul 2027
7.2. Deploy Afya KE Health Information Management System (HIMS) and integrate it with the Revenue Management System (RMS)	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Services, Director ICT	1 Feb 2026 – 31 Jul 2027
7.3. Train facility administrators and finance officers on digital billing, claims management, and reporting tools	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Services, Department of Health, Human Resource Unit	1 Feb 2026 – 31 Dec 2026

Strategy	Responsible Office(s)	Timeline
7.4. Conduct public sensitisation on digital health services, billing transparency, and insurance claims procedures	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Service, Communications Unit	Continuous
7.5. Introduce telemedicine and mobile outreach clinics with integrated billing systems to expand the revenue base	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Services, Director ICT, County Referral Hospital Unit	1 Jul 2027 – 30 Jun 2028
7.6. Rehabilitate and equip health facilities to support efficient revenue collection and claims documentation	CECM Finance and Economic Planning, CCO Revenue Service, CECM Health Service, Director of Economic Planning	1 Jul 2026 – 30 Jun 2028
<b>8. Parking Fees</b>		
8.1. Develop a legal framework to guide parking fee collection, zoning, penalties, and enforcement mechanisms	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, CECM Lands and Urban Development	1 Feb 2026
8.2. Map and designate formal parking areas across towns and trading centres	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, Director of Economic Planning and Director of ICT	1 Feb 2026 – 31 Jan 2027
8.3. Demarcate parking slots and install physical markers to support enforcement and digital mapping	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, Director ICT and County Inspectorate	1 Jul 2026 – 30 Sep 2027
8.4. Conduct stakeholder sensitisation forums targeting motorists, matatu/boda boda associations, and business owners	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, Communication Unit	Continuous
8.5. Facilitate the organisation of transport operators into registered	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, Department of Cooperatives	1 Oct 2026 – 30 Jun 2027

Strategy	Responsible Office(s)	Timeline
SACCOs for structured engagement and compliance		
8.6. Develop and deploy an enforcement application to track parking usage, billing, and compliance	CECM Finance and Economic Planning, CCO Revenue Service, CECM Roads & Transport, Director ICT	1 Jan 2027 – 28 Feb 2028
<b>9. Income from Water Management</b>		
9.1. Development of a recurrent expenditure of borehole and water kiosks budget allocation	CECM Finance and Economic Planning, CCO Revenue Service, CECM Water, Energy, Environment and Climate Change, Director Budget and Economic Planning	Annual
9.2. Collaborate with other funding partners to fund boreholes and water kiosks	CECM Finance and Economic Planning, CCO Revenue Service, CECM Water, Energy, Environment and Climate Change, Director of Resource Mobilisation	Continuous
9.3. Conduct annual mapping of all services that can be offered with water services for revenue diversification	CECM Finance and Economic Planning, CCO Revenue Service, CECM Water, Energy, Environment and Climate Change	Annual
9.4. Conduct public sensitisation on water services, the fee structure, and the mode of payments	CECM Finance and Economic Planning, CCO Revenue Service, CECM Water, Energy, Environment and Climate Change and Communications Unit	Continuous
9.5. Acquire and install ICT infrastructure to support automated billing and payment processing for water service, boreholes, and water kiosks	CECM Finance and Economic Planning, CCO Revenue Service, CECM Water, Energy, Environment and Climate Change and Communications Unit, Director of ICT	1 Jul 2026 – 28 Feb 2028
<b>10. Administration Control Fees and Charges</b>		

Strategy	Responsible Office(s)	Timeline
10.1. Acquire and install ICT infrastructure to support automated billing and payment processing for Administration Control Fees and Charges services	CECM Finance and Economic Planning, CCO Revenue Service, Municipal Manager, Director of ICT	1 Feb 2026 – 31 Jan 2027
10.2. Mapping and twinning the Administration Control Fees and Charges services with other revenue streams, such as SBP	CECM Finance and Economic Planning, CCO Revenue Service, CECM of the Relevant Department, Municipal Manager and Director of ICT	1 Jul 2026 – 30 Jun 2027
10.3. Carry out stakeholder sensitisation on the Administration Control Fees and Charges services	CECM Finance and Economic Planning, CCO Revenue Service, Municipal Manager and Communication Unit	Continuous
10.4. Conduct structured monitoring enforcement operations on Administration Control Fees and Charges services	CECM Finance and Economic Planning, CCO Revenue Service, County Inspectorate and Municipal Manager	Continuous
10.5. Form an Inter-Departmental Revenue Enhancement Technical Committee, chaired by the CECM Finance and Economic Planning, to coordinate cross-sector reforms	CECM Finance and Economic Planning, CCO Revenue Service, CECMs and County Inspectorate and Governor's Office	Continuous

## Annexe 1: Data Collection Tool for Developing the County Government of Mandera Revenue Mobilisation Strategic Plan

### DATA COLLECTION TOOL FOR COUNTY REVENUE MOBILISATION STRATEGIC PLANS

1. **County Background Information** (*administrative units, main economic activities*).

2. **OSR Performance:** Target Vs Actual for the last five years

**Table 4: Target Vs Actual for the previous five years**

Year	Target	Actual
2020/21		
2021/22		
2022/23		
2023/24		
2024/25		

3. **Each OSR Performance per stream** for the last five years

**Table 5: Each OSR Performance per stream: Target Vs Actual for the last 5 years**

Name of the revenue stream	Year	Target	Actual
	2020/21		
	2021/22		
	2022/23		
	2023/24		
	2024/25		

The revenue streams are indicated below: Income from Water Management, Land rents, Single Business Permit, Barriers, Plot Transfers/Sub-Divisions/Application Fees, Livestock Movement, Miraa Movements, Markets stalls/Shades, Slaughter fees and Charges, Livestock

Markets Auction, Fire Services, Produce Cess, Public Health, Income from Quarries, Building plan, Market Gates/Cess, Buspark/Taxis/Parking.

**4. Provide a workflow/ procedure** for each revenue stream on revenue collection and administration.

**Table 6: Revenue Collection Procedure for Each Stream**

	<b>Revenue stream</b>	<b>Description of Revenue Collection Procedure</b>
1.	Income from Water Management	
2.	Land rents	
3.	Single Business Permit	
4.	Barriers	
5.	Plot Transfers/Sub-Divisions/Application Fees	
6.	Livestock Movement	
7.	Miraa Movements	
8.	Markets stalls/Shades	
9.	Slaughter Fees and Charges	
10.	Livestock Markets Auction	
11.	Fire Services	
12.	Produce Cess	
13.	Public Health	
14.	Income from Quarries	
15.	Building plan	
16.	Market Gates/Cess	
17.	Buspark/Taxis/Parking	

5. Provide the revenue collection and administration organogram/ structure
6. Provide the number of revenue staff for each revenue stream

**Table 7: The number of revenue staff for each Stream**

	<b>Revenue stream</b>	<b>The number of revenue staff for each Stream</b>
1.	Income from Water Management	
2.	Land rents	
3.	Single Business Permit	
4.	Barriers	
5.	Plot Transfers / Sub-Divisions / Application Fees	
6.	Livestock Movement	
7.	Miraa Movements	
8.	Markets stalls/Shades	
9.	Slaughter fees and Charges	
10.	Livestock Markets Auction	
11.	Fire Services	
12.	Produce Cess	
13.	Public Health	
14.	Income from Quarries	
15.	Building plan	
16.	Market Gates/Cess	
17.	Buspark/Taxis/Parking	

7. Does the county have an automated revenue collection and administration system? If yes,
  - a) Is it fully automated

- b) If partially automated, what are the revenue streams that have automated collection?
- c) What is the name of the system?
- d) Who is the provider?

**8.** How do you set OSR targets per stream?

**Table 8: Procedure for setting targets for each stream**

	<b>Revenue stream</b>	<b>Procedure for setting targets for each stream</b>
1.	Income from Water Management	
2.	Land rents	
3.	Single Business Permit	
4.	Barriers	
5.	Plot Transfers / Sub-Divisions / Application Fees	
6.	Livestock Movement	
7.	Miraa Movements	
8.	Markets stalls/Shades	
9.	Slaughter fees and Charges	
10.	Livestock Markets Auction	
11.	Fire Services	
12.	Produce Cess	
13.	Public Health	
14.	Income from Quarries	
15.	Building plan	
16.	Market Gates/Cess	
17.	Buspark/Taxis/Parking	

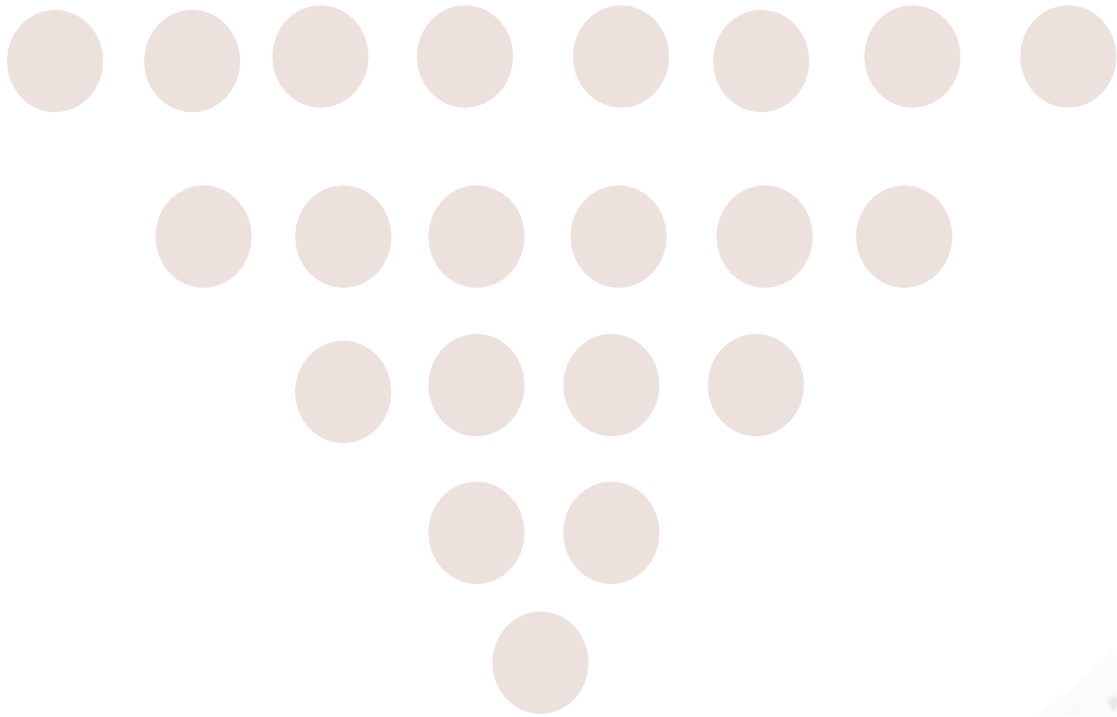
## Annexe 2: List of the Stakeholders and Partners

<b>Stakeholder Category</b>	<b>The Stakeholder Sub- category</b>
<b>Internal Stakeholder</b>	<b>County Government Departments</b>
	<b>County Assembly</b>
<b>Independent Commissions and Offices</b>	<b>Commission on Revenue Allocation</b>
	<b>National Treasury</b>
	<b>Controller of Budget</b>
	<b>Audit General</b>
	<b>Ethics and Anti- Corruption</b>
<b>External Stakeholder</b>	<b>Business and Industries</b>
	<b>Residents and Citizens Fora</b>
	<b>Financial Institutions</b>
	<b>Media and Communication Channels</b>
	<b>Professional Associations</b>
	<b>Security Agents</b>
	<b>SACCOS</b>
<b>Financiers / Financial Partner</b>	<b>Donor Partners,</b>
	<b>Private Investors</b>
	<b>Non-governmental Organisation</b>
<b>Others</b>	<b>Faith-Based Organisation,</b>

### Annexe 3: County Participants in the Development of the County Government of Mandera Revenue Mobilisation Strategic Plan

No.	Name	Designation
1.	CPA Ibrahim M. Adan, OGW	CECM Finance and Economic Planning
2.	Mr. Kassim Yussuf Hassan	CCO Revenue Services
3.	Mr. Muad Mohamud Khalif	CCO Trade and Cooperative Development
4.	Mr. Ahmed Abdullahi Adan	CCO Water Services
5.	Mr. Ibrahim Mohamed Ali	CCO Medical Services
6.	Mr. Abdifatah Ibrahim Ogle	CCO Land and Urban Development
7.	Mr. Mohamed Adan Issack	CCO Livestock
8.	Mr. Abdi Ibrahim Abdulla	Director of Economic Planning
9.	Mr. Abdirizack Hassan Ibrahim	Director of Revenue Services
10.	Mr. Hassan Ali Ibrahim	Director, CHS/Public Health
11.	Mr. Shueb Suleiman Issak	Director of Budget and Economic Planning
12.	Mr. Hussein Edin Issack	Deputy Director Accounting Services
13.	Mr. Bishar Mohamed Adan	Director Trade
14.	Mr. Maurice Omimo	Deputy Director Physical Planning
15.	Mr. Matker Noor	Municipal Manager Mandera Municipality
16.	Mr. Abdi Hussein Kahiye	Municipal Manager, Elwak Municipality





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