



COUNTY GOVERNMENT OF ISIOLO



COUNTY TREASURY

BUDGET IMPLEMENTATION REVIEW

REPORT FY 2024/25

QUARTER ONE JULY - SEPTEMBER 2024)

OCTOBER 2024

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FOREWORD

County Government Budget Implementation Review Report (CBIRR) for (FY) 2024/25 has been prepared in conformity with Article 228 (6) of the Constitution and Section 9 of the Controller of Budget Act, 2016, which require the Controller of Budget (COB) to submit to Parliament a report on the implementation of the budgets of the National and County Governments every four months. The report also fulfils requirements of Section 39 (8) of the Public Finance Management (PFM) Act, 2012, which requires the COB to ensure members of the public access information on budget implementation of the National and County Governments. This report presents the Isiolo County governments' budget performance for the years ended 30th September 2024.

It is based on an analysis of financial and non-financial performance submissions from the Departments to the County Treasury and financial reports generated from the Integrated Financial Management Information System (IFMIS). Some of the information contained in this report includes; approved budgets, budget financing, exchequer issues, actual expenditure and budget absorption rates of the County Governments during the reporting period. Preparation of this report was made possible through the concerted efforts of staff from the Directorate of Economic Planning and Budgeting, to whom I am highly grateful for their dedication. I urge all readers to constructively engage county governments on budget implementation matters to promote prudent use of public resources.

Thanks in advance


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EXECUTIVE SUMMARY

The budget implementation report is prepared in accordance with section 166 (1) and 166 (4) of the Public Finance Management Act 2012. The first Quarter budget implementation report FY 2024/25 gives an overview of the implementation of both the recurrent and development budget actualised through County programmes.

The report aims to illustrate the resource use by the county departments. Analysis of both county receipts and expenditures is herein provided for in this report and compared with the first quarter of the fiscal year 2024/25.

In the first quarter of FY 2024/25, late disbursements due to delays in and still emerged as a key emerging issue as most restrictions to contain the spread were still in place thus affecting government operations. Climate change was also a crucial issue for most departments given the need to mainstream green economy considerations in most of their project as a way of achieving sustainable development in the county. The budget implementation rate in most departments for the quarter was relatively low owing to challenges which include but are not limited to, delay in budget approval, delays in disbursement of funds, inadequate capacity and technical knowhow for human resources, slow preparation of the bill of quantities and lengthy procurement process.

Going forward, the county government should ensure timely disbursement of funds to the departments in order to enhance the absorption rate and reduce the cash balances carried forward.

CHAPTER ONE

INTRODUCTION

This report forms part of the County Budget Implementation Review Reports.

This first quarter report provides elaborate information on financial and nonfinancial. It further analyses the key issues in the respective departments, challenges and probable solutions.

It highlights the progress made in budget implementation by each of the 9 departments. Specifically, revenue and expenditure performance are analyzed and compared against targets contained in the financial year 2024/25 Approved Budgets.

Key challenges that faced budget implementation during the reporting period have been identified and appropriate recommendations to overcome the challenges made.

The report presents the status of budget execution beginning 1st October to 31st December 2024. It also offers valuable information to members of the public on budget implementation and the County Assembly, which is bestowed with the oversight mandate on utilization of public funds.

OVERALL BUDGET KEY HIGHLIGHTS

Revenue Estimates

Total revenue estimates for the financial year 2024/25 amounts to Ksh 6,833,199,036 including the balance in the county revenue fund of Ksh 438,727,444. The equitable share from the national government contributes the highest figure which stands at Ksh 5,078,735,614. The total estimates for the grants stand at Ksh 944,527,798.

The own source revenue comprising of the local sources and the facility improvement fund is estimated at Ksh 371,208,180. The facility improvement fund and the revenue from the local sources is estimated at Ksh 100,000,000 and Ksh 371,208,180 respectively. Further, the local sources revenue streams estimates and donor grants are broken down as shown below.

S/ N o	Revenue Stream	Annual Targeted Revenue (Kshs.)	Actual Revenue (Kshs.)	Varianc e (Kshs.)	Rema rks
A	OWN SOURCE REVENUE	A	B	C=A-B	
	RECEIPTS FROM ADMINISTRATIVE FEES AND CHARGES	4,736,000			
1	Other Land Revenue (Plot Application/Transfer/Sub-Division	4,736,000	111,500	4,624,500	2%
	LAND RATES	24,271,075			
2	Land Rent & Rates - Current Year	17,195,075	531,621	16,663,454	3%

3	Penalties Rent & Rates	1,500,000	40,391	1,459,609	3%
4	Land Rent & Rates - Arreas	5,576,000	621,225	4,954,775	11%
	CESSES	29,626,545			
5	Livestock Auction	10,188,993	642,140	9,546,853	6%
6	Sand Cess	16,200,000	1,793,000	14,407,000	11%
7	Other Cess (Produce Cess/Barter/Murram/Cheque Clearance)(included Tractor) 2016/17	3,237,552	120,000	3,117,552	4%
	OTHER MISCELLANEOUS RECEIPTS	30,696,380			
8	Miraa Export	4,018,156	1,648,000	2,370,156	41%
9	Miscellaneous Charges	950,000	643,705	306,295	
10	S.B.P Fees/Promotion	6,556,802	102,000	6,454,802	2%
11	Liquor License	4,800,000		4,800,000	0%
12	Public Works /Other Charges	1,200,000		1,200,000	0%
13	Stand Premiums	1,285,536	4,000	1,281,536	
14	Clearance & Consents	419,919		419,919	0%
15	Plot Transfer Approval	3,886,076		3,886,076	0%
16	Lease Extension	300,000		300,000	0%
17	Planning & Survey	954,000		954,000	
18	Livestock/Veterinary Inspection (meat)	3,596,000	165,168	3,430,832	5%
19	Weights and Measure	750,000		750,000	
20	Tractor Hire	1,099,891	8,920	1,090,971	1%
	Agriculture Training Centre	880,000		880,000	
21	PARK REVENUE	154,225,758			0%
	Game Entrance & Royalties	154,225,758	51,144,056	103,081,702	
22	MARKET/TRADE CENTRE FEE	10,430,446			0%
23	Market Stalls Rent -Kiosks & Stalls	10,430,446	301,193	10,129,253	
24	VEHICLE PARKING FEES	10,480,000			0%
	street Parking Fees	10,480,000	300,400	10,179,600	
25	SLAUGHTER HOUSES ADMINISTRATION FEES	4,513,575			0%
	Slaughter Fees	4,513,575	123,000	4,390,575	
27	TECHNICAL SERVICES FEES	2,228,401			0%
	Building Plan Approvals	2,228,401	39,102	2,189,	2%

				299	
	GROSS COUNTY INTERNAL REVENUE ESTIMATES THROUGH COUNTY REVENUE FUND	271,208,180	58,339,421	212,868,759	90%
	FACILITY IMPROVEMENT FINANCING (FIF)- APPROPRIATION IN AID (AIA)	100,000,000	-	100,000,000	
	ICTRH OSR- Cash Payment	30,000,000	-	30,000,000	
	ICTRH OSR- NHIF	67,000,000	-	67,000,000	
	ICTRH OSR- Compassion remittance	3,000,000	-	3,000,000	
	GROSS TOTAL INTERNAL REVENUE ESTIMATES - OWN SOURCE REVENUE	371,208,180	58,339,421	312,868,759	
B	EQUITABLE SHARE RECEIPTS SCHEDULE				
	Reference No.	Projected Amount (ksh)	Amount Received (ksh)	Variance (Kshs.)	Remarks
1	FT24268TTQ24	416,418,503	416,418,503	-	100%
2	Outstanding Exchequer releases	4,662,317,111	-	4,662,317,111	0%
	Sub-Total	5,078,735,614	416,418,503	4,662,317,111	8%
C	CRF OPENING BALANCE BROUGHT FORWARD FROM FY 2023/24				
1	Climate change institutional support (FLLoCA) Balance b/f from 2023/24	11,000,000	11,000,000	-	100%
2	un spent CRF balances (late june Exchequer disbursement Release and unspent balance)	427,727,444	427,727,444	-	100%
		438,727,444	438,727,444	-	100%
	CONDITIONAL ALLOCATIONS FROM NAT. GOVT.				
1	Supplement for construction of County HQ	115,350,161	-	-	0%
2	Transfer of Museum function	1,093,656	-	-	0%
3	Roads maintainance fuel levy Fund	190,644,441	-	-	0%
4	Community Health promoters	21,630,000	-	-	0%
		328,718,258	-	328,718,258	0%
F	CONDITIONAL ALLOCATIONS FROM DEVELOPMENT PARTNERS			-	
	Description	Budget Amounts (ksh)	Amount Received (ksh)	Variance (Kshs.)	Remarks
1	Current Grants from Foreign Governments Danida	6,532,500	-	6,532,500	0%
2	Financing Locally Led Climate Action(FLLoCA)	136,000,000	-	136,000,000	0%
3	Emergency Locust Response Project ELRP (World Bank)	142,500,000	-	142,500,000	0%
4	Food Systems Resilience Project (FSRP)	173,076,923	-	173,076,923	0%

				6,923	
5	Kenya Agricultural Business Development Project (KABDP)-GOS	10,918,919	-	10,918,919	0%
6	Kenya Agricultural Business Development Project (KABDP)-MOALD Contribution	1,000,000	-	1,000,000	0%
7	Kenya Devolution Support Program II (KDSP II)	37,500,000	-	37,500,000	0%
8	Kenya Urban Support Program (KUSP)-UIG	35,000,000	-	35,000,000	0%
9	Kenya Urban Support Program (KUSP)-UDG	63,661,198	-	63,661,198	0%
10	United Nations Fund for Population Activities (UNFPA)	9,620,000	-	9,620,000	0%
	Sub-Total	615,809,540	-	615,809,540	0%
TOTAL RECEIPTS (INTERNAL & EXTERNAL SOURCES)		6,833,199,036	913,485,368	5,280,315,950	13%

Revenue Outturn

During the period under review, the County's receipts amounted to Ksh. 913,485,368. This includes a sum of Ksh. 416,418,503 as equitable share, Balance brought forward from FY 2024/25 amounting to Kshs. 438,727,444 and Own Source Revenue (OSR) collections of Ksh 58,339,421.

Revenue Source	Annual Revenue Allocation (in Ksh)	Actual Receipts	Overall Performance (%)
Equitable share	5,078,735,614	416,418,503	8.2%
Conditional Grants	944,527,798	0	0%
Sub total	6,023,263,412	416,418,503	6.9%
Own Source Revenue	371,208,180	58,339,421	15.7%
Sub Total	371,208,180	58,339,421	0.0%
Opening Balance	438,727,444	438,727,444	100.0%
Total Revenues	6,833,199,036	913,485,368	13.4%

Expenditure Estimates

The total county expenditure for the financial year 2024/25 is estimated at Ksh 6,833,199,036. Out of this, the development budget for the financial year 2024/25 is estimated at Ksh 2,412,429,542 representing 35.3%% of the total budget. This is in accordance to the Public Finance Management Act 2012 that requires at least 30% of the total budget to be allocated for development.

Table 1 Recurrent Expenditure 2024/25 as at 30th September 2024

Department	BUDGET	ACTUAL	VARIANCE	%
Isiolo - Office of Governor	285,960,841	1,860,043	284,100,798	0.7%

Department	BUDGET	ACTUAL	VARIANCE	%
County Public Service Board	54,541,500	233,600	54,307,900	0.4%
County Secretary	37,077,228	754,674	36,322,554	2.0%
Delivery Unit	18,853,898	50,000	18,803,898	0.3%
Deputy Governor	22,693,782	113,160	22,580,622	0.5%
County Attorney	40,798,738	-	40,798,738	0.0%
Intergovernmental Relations & Donor Coordination	5,950,000	100,000	5,850,000	1.7%
Isiolo - Finance, Planning, National Development and Vision 2030	336,152,670	39,916,865	296,235,805	11.9%
Special Programs and ICT	63,460,000	11,016,200	52,443,800	17.4%
Economic Planning	45,575,212	6,064,406	39,510,806	13.3%
Cohesion	24,294,000	2,686,705	21,607,295	11.1%
Revenue Services	11,100,000	2,461,370	8,638,630	22.2%
Isiolo - Lands and Urban Planning	21,735,137	87,848	21,647,289	0.4%
Roads & Infrastructure	15,128,190	518,200	14,609,990	3.4%
Public Urban Development and Housing	7,950,000	344,000	7,606,000	4.3%
Public Works	11,431,660	96,100	11,335,560	0.8%
Isiolo - Agriculture	47,417,750	348,300	47,069,450	0.7%
Livestock & Veterinary	119,365,763	192,676	119,173,087	0.2%
Fisheries Development	8,299,764	410,500	7,889,264	4.9%
Isiolo - Education and Vocational Training	274,027,285	70,364,100	203,663,185	25.7%
Youth Sports and Gender	25,757,616	326,500	25,431,116	1.3%
Culture and Social Services	30,881,983	130,000	30,751,983	0.4%
Vocational Training	10,940,800	-	10,940,800	0.0%
Isiolo - Tourism Culture And Social Services	103,920,882	210,400	103,710,482	0.2%
Trade and Enterprise	8,970,876	100,000	8,870,876	1.1%
Public Service Management and Administration	466,469,422	1,123,000	465,346,422	0.2%
Devolved Units & Inspectorate	71,500,800	71,200	71,429,600	0.1%
Civic Education & Public Participation	10,353,000	46,100	10,306,900	0.4%
MSMs & Cooperatives	5,040,705	84,000	4,956,705	1.7%
Isiolo - Water And Irrigation	47,977,515	117,085	47,860,430	0.2%
Environment & Natural Resources Management	28,089,836	263,600	27,826,236	0.9%

Department	BUDGET	ACTUAL	VARIANCE	%
Mining & Natural Resources	3,600,000	96,100	3,503,900	2.7%
Renewable Energy	4,000,000	196,100	3,803,900	4.9%
Medical Services	938,281,894	302,880,700	635,401,194	32.3%
Public Health	456,297,313	97,649,796	358,647,517	21.4%
Other Operating Expenses - FIF	100,000,000	12,783,569	87,216,431	12.8%
Municipal Administration	85,918,661	4,811,924	81,106,737	5.6%
	3,849,814,721	558,508,821	3,291,305,900	14.5%

The recurrent expenditure comprising of the operations and maintenance and compensation for employees is estimated at Ksh 3,849,814,712. Compensation for employee's accounts for 32.4% of the total budget which meets the requirement as per the Public Finance Management Act that requires a maximum of 35% expenditure on compensation for employees.

Table 2 Development Expenditure as at 30TH September 2024

Vote	Approved Estimates FY 2023/24	Actual Expenditure FY 2023/24	Variance	% absorption
Finance	541,462,813	0	541,462,813	0
Special Programs and ICT	29,000,000	0	29,000,000	0%
Lands & Physical Planning	48,000,000	2,350,000	45,650,000	5%
Roads & Infrastructure	292,644,441	0	292,644,441	0%
Isiolo - Agriculture	341,995,842	0	341,995,842	0%
	341,995,842	0	341,995,842	0%
Livestock & Veterinary	14,576,148	0	14,576,148	0%
Fisheries Development	7,000,000	0	7,000,000	0%
Isiolo - Education and Vocational Training	38,338,443	0	38,338,443	0%
Youth Sports and Gender	29,590,000	0	29,590,000	0%
Culture and Social Services	32,093,567	0	32,093,567	0%
Vocational Training	10,500,000	2,175,000	8,325,000	21%
Tourism & Wildlife	8,500,000	0	8,500,000	0%
Trade and Enterprise	6,500,000	0	6,500,000	0%
Public Service Management and Administration	4,000,000	0	4,000,000	0%
Devolved Units & Inspectorate	157,500,000	0	157,500,000	0%
Water and Sanitation	117,440,000	0	117,440,000	0%
Environment & Natural Resources Management	180,000,000	2,172,300	177,827,700	1%
Mining & Natural Resources	2,000,000	0	2,000,000	0%
Renewable Energy	6,500,000	0	6,500,000	0%
Medical Services	53,000,000	0	53,000,000	0%
Public Health	58,752,500	4,929,430	53,823,070	8%
Municipal Administration	253,035,788	0	253,035,788	0%
	2,342,429,542	11,626,730	2,330,802,812	0%

Allocation to County Assembly

County Assembly allocation was Ksh 626,240,773 for both recurrent and development expenditure in compliance with section 25(f) of the Public Finance Management County Regulations, 2015. The figure comprises of both the recurrent and the development budget.

Priority areas of financing in the Budget Estimates

Priority is given to the stalled projects, ongoing projects and new projects both at the head quarter and at the ward level. To realise this, resources have been allocated to various county departments to spearhead and actualise the implementation processes.

Summary of Allocations to the County Departments by Economic Classification

Department	ACTUAL RECURRENT VOTE	OPERATION AND MAINTAINAN CE	COMPENSA TION TO EMPLOYEE S	DEVELOPM ENT VOTE	TOTAL
Isiolo - Office of Governor	285,960,841	76,081,860	209,878,981	-	571,921,682
County Public Service Board	54,541,500	24,000,000	30,541,500	-	109,083,000
County Secretary	37,077,228	22,957,178	14,120,050	-	74,154,456
Delivery Unit	18,853,898	4,000,000	14,853,898	-	37,707,796
Deputy Governor	22,693,782	12,037,152	10,656,630	-	45,387,564
County Attorney	40,798,738	40,798,738	-	-	81,597,476
Intergovernmental Relations & Donor Coordination	5,950,000	5,950,000	-	-	11,900,000
Isiolo - Finance, Planning, National Development and Vision 2030	336,152,670	251,894,792	84,257,878	541,462,813	1,213,768,153
Special Programs and ICT	63,460,000	60,960,000	2,500,000	29,000,000	155,920,000
Economic Planning	45,575,212	33,577,000	11,998,212	-	91,150,424
Cohesion	24,294,000	18,294,000	6,000,000	-	48,588,000
Revenue Services	11,100,000	3,648,000	7,452,000	-	22,200,000
Isiolo - Lands and Urban Planning	21,735,137	21,735,137	-	48,000,000	91,470,274
Roads & Infrastructure	15,128,190	10,128,190	5,000,000	292,644,441	322,900,821
Public Works	11,431,660	3,300,000	8,131,660	-	22,863,320
Livestock & Veterinary	119,365,763	113,906,999	5,458,764	14,576,148	253,307,674
Isiolo - Education and Vocational Training	274,027,285	268,869,669	5,157,616	38,338,443	586,393,013
Youth Sports and Gender	25,757,616	5,741,917	20,015,699	29,590,000	81,105,232
Culture and Social Services	30,881,983	22,901,183	7,980,800	32,093,567	93,857,533
Vocational Training	10,940,800	2,960,000	7,980,800	10,500,000	32,381,600
Isiolo - Tourism Culture And Social Services	103,920,882	19,474,284	84,446,598	8,500,000	216,341,764
Trade and Enterprise	8,970,876	3,755,867	5,215,009	6,500,000	24,441,752
Public Service Management and Administration	466,469,422	223,020,000	243,449,422	4,000,000	936,938,844
Devolved Units & Inspectorate	71,500,800	43,520,000	27,980,800	157,500,000	300,501,600
Civic Education & Public Participation	10,353,000	5,353,000	5,000,000	-	20,706,000

Department	ACTUAL RECURRENT VOTE	OPERATION AND MAINTAINAN CE	COMPENSA TION TO EMPLOYEE S	DEVELOPM ENT VOTE	TOTAL
				-	
MSMs & Cooperatives	5,040,705	3,000,000	2,040,705	-	10,081,410
Isiolo - Water And Irrigation	47,977,515	21,266,492	26,711,023	117,440,000	213,395,030
Environment & Natural Resources Management	28,089,836	4,158,732	23,931,104	180,000,000	236,179,672
Mining & Natural Resources	3,600,000	3,600,000	-	2,000,000	9,200,000
Renewable Energy	4,000,000	4,000,000	-	6,500,000	14,500,000
Medical Services	938,281,894	316,564,770	621,717,124	53,000,000	1,929,563,788
Public Health	456,297,313	94,862,794	361,434,519	58,752,500	971,347,126
Other Operating Expenses - FIF	100,000,000	100,000,000	-	-	200,000,000
Municipal Administration	85,918,661	67,162,561	18,756,100	253,035,788	424,873,110
Total	3,786,147,207	1,913,480,315	1,872,666,892	1,883,433,700	9,455,728,114

CHAPTER TWO

FINANCIAL PERFORMANCE QUARTER ONE FY 2024/25

County Receipts (July-Sep 2024/25)

County Own Source Revenue

D	Own source Revenue(OSR)	Potential Revenue Ksh.)	Annual Targeted Revenue (Ksh.)	Actual Revenue (Ksh.)	Variance (Ksh.)	Performance %)
		A	B	C	D=B-C	
	RECEIPTS FROM ADMINISTRATIVE FEES AND CHARGES		4,736,000	387,100	4,348,900	8%
	Other Land Revenue (Plot Application/Transfer/Sub-Division		4,736,000	387,100	4,348,900	8%
	LAND RATES		24,271,075	2,438,761	21,832,314	10%
	Land Rent & Rates - Current Year		17,195,075	982,258	16,212,817	6%
	Penalties Rent & Rates		1,500,000	56,219	1,443,781	4%
	Land Rent & Rates - Arrears		5,576,000	1,400,284	4,175,716	25%
	CESSES		29,626,545	3,918,490	25,708,055	13%
	Livestock Auction		10,188,993	1,122,490	9,066,503	11%
	Sand Cess		16,200,000	2,661,000	13,539,000	16%
	Other Cess (Produce Cess/Barter/Murram/Cheque Clearance)(included Tractor) 2016/17		3,237,552	135,000	3,102,552	4%
	OTHER MISCELLANEOUS RECEIPTS		30,696,380	4,562,121	26,134,259	14.9%
	Miraa Export		4,018,156	2,933,740	1,084,416	73.0%
	Miscellaneous Charges		950,000	126,000	824,000	13.3%
	S.B.P Fees/Promotion		6,556,802	1,135,315	5,421,487	17.3%
	Liquor License		4,800,000	0	4,800,000	0.0%
	Public Works /Other Charges		1,200,000	0	1,200,000	0.0%
	Stand Premiums		1,285,536	57,460	1,228,076	4.5%
	Clearance & Consents		419,919	16,000	403,919	3.8%
	Plot Transfer Approval(Public Health		3,886,076	100,756	3,785,320	2.6%
	Lease Extension		300,000	0	300,000	0.0%
	Planning & Survey		954,000	0	954,000	0.0%
	Livestock/Veterinary Inspection (meat)		3,596,000	158,000	3,438,000	4.4%
	Weights and Measure		750,000	0	750,000	0.0%
	Tractor Hire		1,099,891	34,850	1,065,041	3.2%

D	Own source Revenue(OSR)	Potential Revenue Ksh.)	Annual Targeted Revenue (Ksh.)	Actual Revenue (Ksh.)	Variance (Ksh.)	Performance %)
		A	B	C	D=B-C	
	Agriculture Training Centre		880,000	0	880,000	0.0%
	PARK REVENUE		154,225,758	75,357,856	78,867,902	48.9%
	Game Entrance & Royalties		154,225,758	75,357,856	78,867,902	48.9%
	MARKET/TRADE CENTRE FEE		10,430,446	560,493	9,869,953	5.4%
	Market Stalls Rent -Kiosks & Stalls		10,430,446	560,493	9,869,953	5.4%
	VEHICLE PARKING FEES		10,480,000	659,150	9,820,850	6.3%
	street Parking Fees		10,480,000	659,150	9,820,850	6.3%
	SLAUGHTER HOUSES ADMINISTRATION FEES		4,513,575	224,000	4,289,575	5.0%
	Slaughter Fees		4,513,575	224,000	4,289,575	5.0%
	TECHNICAL SERVICES FEES		2,228,401	69,302	2,159,099	3.1%
	Building Plan Approvals		2,228,401	69,302	2,159,099	3.1%
	Gross County Internal Revenue Estimates Through County Revenue Fund		271,208,180	88,177,273	183,030,907	32.5%
E	Facility Improvement Fund (FIF)-Appropriations in Aid					
1	ICTRH OSR- Cash Payment		30,000,000	8,213,609	21,786,391	27.4%
2	ICTRH OSR- NHIF		67,000,000	23,021,045	43,978,955	34.4%
3	ICTRH OSR- Compassion remittance		3,000,000	192,880	2,807,120	6.4%
	Sub-Total		100,000,000	31,427,534	68,572,466	1
	Gross Total Internal Revenue Estimates - Own Source Revenue		371,208,180	119,604,807	251,603,373	32.2%
Total			6,833,199,036	2,603,544,315	4,229,654,721	38.1%

Comparison of Total Expenditure for per Economic Classification

EMERGING ISSUES, CHALLENGES AND RECOMMENDATIONS

This section highlights Departments' emerging issues, challenges that hampered budget execution of financial year 2024/2025.

EMERGING ISSUES

1. **Damage to Infrastructure:** Frequent and severe weather events, such as floods (e.g., El Niño rains), have caused significant damage to roads, bridges, and other infrastructure, leading to increased maintenance costs.
2. **Development Funding Shortfalls:** Planned grants and development funding were not fully disbursed, limiting the implementation and success of various projects.
3. **Delayed Government Disbursements:** Late disbursement of funds from the National Government slowed the commencement of programs and projects, as well as the payment of pending bills.
4. **Inadequate Funding:** Limited funds hindered the recruitment and retention of human resources, and also impacted the ability to address the influx of patients from neighboring counties, especially at healthcare facilities.
5. **Procurement Delays:** Delays in procurement processes further limited the timely implementation of initiatives.
6. **Municipal Staffing and Funding Issues:** Municipalities faced challenges in staffing and securing adequate funding to implement their charters effectively.
7. **Interdepartmental Overlaps:** There were overlaps in responsibilities during development control activities, leading to inefficiencies.
8. **Population Pressure:** Increased population in urban areas led to more waste generation and higher water demand, overstressing available resources.
9. **Weak Inter-departmental Synergy:** A siloed approach to service delivery complicated coordination, particularly at the Sub-County and ward levels, affecting monitoring and evaluation activities.

RECOMMENDATIONS

- **Enhance Infrastructure Resilience:** Invest in climate-resilient infrastructure designs that can withstand extreme weather events. This includes using durable materials, elevating roadbeds in flood-prone areas, and constructing more robust drainage systems.
- **Diversify Funding Sources:** Seek alternative funding sources such as public-private partnerships, international development loans, and community-based financing mechanisms to supplement grants.
- **Improve Fund Disbursement Procedures:** Engage with development partners to streamline disbursement processes, ensuring that funds are released on time and as planned.
- **Strengthen Financial Coordination:** Establish a dedicated liaison office to coordinate with the National Government on timely fund disbursements and to monitor the status of fund releases.
- **Prioritize Critical Staffing Needs:** Conduct a workforce analysis to prioritize critical staffing needs, ensuring that essential services, such as healthcare, are adequately staffed.
- **Advocate for Increased Budget Allocations:** Engage in advocacy and negotiations with relevant government bodies to secure higher budget allocations for human resources and essential services, emphasizing the long-term cost savings and benefits of adequate staffing.
- **Streamline Procurement Processes:** Review and streamline procurement procedures to eliminate bottlenecks, reduce paperwork, and accelerate decision-making.
- **Implement e-Procurement Systems:** Adopt e-procurement systems to automate and expedite the procurement process, improving transparency and reducing the time required for approvals.
- **Strengthen Municipal Capacity:** Invest in capacity-building programs for municipal staff, including training and development initiatives, to improve service delivery and operational efficiency.
- **Enhance Waste Management Systems:** Invest in modern waste management infrastructure and technologies, such as recycling programs and waste-to-energy plants, to handle increased waste generation.
- **Foster a Collaborative Culture:** Promote a collaborative culture by encouraging joint planning, shared goals, and cross-departmental teams to improve service delivery and project implementation.
- **Establish a Coordination Office:** Create an office or task force specifically responsible for coordinating activities across departments, particularly at the Sub-County and ward levels, to ensure alignment and efficiency.
- **Strengthen Contract Management Practices:** Implement rigorous contract management protocols, including regular performance reviews, detailed budgeting, and risk assessments, to ensure projects stay on track. Introduce stricter penalties for

contractors who abandon projects and establish performance-based contracts that tie payments to the achievement of specific milestones and quality standards.