

REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY



2021 COUNTY FISCAL STRATEGY PAPER

Theme

Community driven development for enhanced prosperity

Makueni County Fiscal Strategy Paper (CFSP) 2021
To obtain copies of the document, please contact:

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The document is also available on the internet at: www.makueni.go.ke

FOREWORD

The 2021 County Fiscal Strategy Paper is the 8th to be prepared by the County Government. The paper outlines the development framework for the FY 2021/22-FY 2023/24 MTEF Period.

The FY 2021/22 budget will be geared towards stimulating the growth of the local economy after the negative effects of COVID 19 pandemic. The budget theme will be enhancing community driven development for enhanced prosperity and will be guided by eight principles; Equity in development; completion of all ongoing projects; community-led development; community volunteerism in development (*Mwethya wa Maendeeyo*); county development post-COVID-19 pandemic; livelihood/employment guarantee scheme and universal water coverage.

The Development framework advances achievement of the outcomes envisaged under the county's thematic areas; water resource management; product development and processing; socio-economic development; lands and urban development and institutional capacity and strengthening.

The COVID-19 pandemic has worsened the county performance in own source revenues, as such, the available fiscal space in FY 2020/21 is constrained and will have an effect in the budgeting for FY 2021/22. The interventions and programs in the 2021 CFSP and the ceilings thereof, have critically been analyzed and evaluated to ensure achievement of results and envisaged development outcomes amidst the constrained resources.

The proposed interventions will leverage on the interventions of the Post COVID-19 Economic Recovery Strategy (ERS) which will mitigate the adverse impacts of the Pandemic on the economy and further re-position the economy on a steady and sustainable growth trajectory.

In the FY 2021/22 the county targets to mobilise Kshs 9,461,295,153.00 which is reduction of Kshs 246M from Kshs 9,707,192,437.00 (3 percent) in the FY 2020/21 Budget. The reduction has been occasioned by the reduction in the projected Own Source Revenue collections based on the past performance trends. The FY 2021/22 will be funded from three main sources; Equitable share – 86 Percent, conditional allocations, loans and grants 8 percent and county generated revenues 6 Percent

As we translate to the budget for FY 2021/22, sectors will be required to align their proposals based on the eight key principles and support the development outcomes envisaged in this County Fiscal Strategy Paper. In this regard, all sectors should ensure their program-based budgets are supported with the concept notes and expenditures are outcomes oriented.

Going forward, with the reduced projected growth in equitable share and conditional allocations, loans and grants, more emphasis will be done to enhance our resource mobilization strategy in the medium term. This will be effected through setting up required policies and laws to support PPP investments and develop partnership with development partners to realize the Vision 2025 agenda for socio economic transformation.

MARY KIMANZI

**COUNTY EXECUTIVE COMMITTEE MEMBER - FINANCE & SOCIO
ECONOMIC PLANNING**

ACKNOWLEDGEMENT

The 2021 County Fiscal Strategy Paper (CFSP) has been prepared in compliance with the provisions of the Public Finance Management Act, 2012. It outlines the current state of the economy, provides fiscal outlook over the medium term and specifies the set strategic priorities and policy goals together with a summary of the Government spending plans, as a basis of the FY 2021/22 budget.

The preparation of the 2021 CFSP was a collaborative effort among various Government Departments. We are grateful for their inputs. We thank all the spending units, the Ministries, Government Departments and Agencies for timely provision of information.

We express our gratitude to the leadership of H.E the Governor, H.E the Deputy Governor and the entire County Executive Committee Members for their support and inputs. Special appreciation goes to the entire County Budget and Economic Forum (CBEF) and the resource allocation panel for their inputs and comments, in addition to comments from the public. We would like to acknowledge the unlimited support and guidance by the Executive Committee Member – Finance and Socio- Economic Planning and grateful to the dedicated team in the Budget and Socio Economic Planning directorates that spent substantial amount of time putting together this CFSP.

ELIUD MUNYAO

CHIEF OFFICER – SOCIO - ECONOMIC PLANNING BUDGETING AND REVENUE

LIST OF ACRONYMS

ADP	Annual Development Plan
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CTTI	County Technical Training Institute
ECDE	Early Childhood Development Education
FIF	Facility Improvement Fund
FY	Financial Year
GCP	Gross County Product
GECA	General Economic Commercial Affairs
ICT	Information Communication Technology
IEC	Information, Education and Communication
IFMIS	Integrated Financial Management Information System
KNBS	Kenya National Bureau of Statistics
LAN	Local Area Network
MSMEs	Micro, Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NDA	Net Domestic Assets
NFA	Net Foreign Assets
NGCDF	National Government Constituency Development Fund
OVC	Orphans and Vulnerable Children
PAIR	Public Administration and International Relations
PFMA	Public Finance Management Act
PLWHAs	People Living with HIV Aids
PMTCT	Prevention of Mother to Child Transmission
PWD	People Living With Disability
REA	Rural Electrification Authority
SDGs	Sustainable Development Goals
SWG	Sector Working Groups

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1.0 INTRODUCTION

The 2021 County Fiscal Strategy Paper is prepared pursuant to Public Finance Management Act, 2012 (PFMA) Section 117. The CFSP outlines the County Government broad strategic priorities and policy goals for FY 2021/22 which will guide the in preparing the budget for the financial year and over the medium term. The paper also specifies the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.

The paper has been aligned to the Vision 2025, CIDP 2018-2022, Post COVID Economic recovery strategy. The interventions are geared towards stimulating the growth of the county economy and as well build the resilience of the communities.

As per the PFM Act, the County Executive Committee is mandated to prepare and submit, to the County Assembly, the County Fiscal Strategy Paper (CFSP) by 28th February each year. The County Assembly is required to consider and may adopt the CFSP with or without amendments not later than fourteen days after submission by the County Treasury. The County Treasury is required to consider recommendations made by the County Assembly while adopting the CFSP and incorporate the comments while finalizing the Budget estimates.

In preparing the CFSP, the County Treasury has taken into account the views of the public; the departments; the Commission on Revenue Allocation and other key stakeholders.

1.1 Towards Building Resilient Communities and Ensuring Sustainable Economic Recovery

The Covid-19 Pandemic has affected negatively the National and the County Economies with people losing their livelihoods. This has negatively affected economic activities, revenue mobilization and hence the need to initiate recovery programs aimed at stimulating the growth of the county economy and building resilience among the households.

The pandemic affected the county economy through;

- a. Disruption of market operations as a result of containment measures and closure of livestock and agricultural markets. This led to loss of income for fruits, livestock and grain farmers, and increased farm and post-harvest losses.
- b. Loss of employment and earnings from the services sector
- c. Disruption of the education sector due to closure of schools;
- d. Reduction of incomes for Micro Small and Medium Enterprises (MSMEs) sector
- e. Loss of income by water companies due to low demand for water and sanitation services mostly from hotels, schools and other institutions due to closure of operations.
- f. increased cases of gender-based violence.

In order to address this effects, Makueni County prepared the COVID-19 Social Economic Re-Engineering Recovery Strategy 2020/21-2022/23 which is premised on six pillars;

a. Boosting Private Sector Activity

The county will set up measures that will create enabling environment for the private sector to thrive. This includes; enhancing access to affordable credit through creation of covid-19 recovery fund; develop facilitative infrastructure to encourage private sector participation in the economy; increasing ease of doing business by harmonizing number of license and permits and promotion of the informal sector development to formal establishments.

b. Strengthening ICT Capacity For Business Continuity

The government will promote use of Information Communication Technology (ICT) in service delivery to boost access to government services. Accessibility to online working will be improved to ensure staff work remotely in cases where working in crowded places poses danger of infection from covid-19. ICT services will be revitalized as a source of employment to the youth through creative skills training and leveraging on the existing ICT hub.

c. Human Capital Development

The county health systems will be enhanced to provide adequate medical care through the county Universal Health Coverage Programme. The county will also subsidize County Technical Training Institutions (CTTI) fees through offering free training. The county will also establish an employment/livelihood guarantee scheme to ensure communities benefit from implementation of county development programmes.

d. Policy, Institutional And Legislative Reforms

The county will seek to finalize all legislative and policy agenda to ensure all functions are backed by requisite legal framework. This will ensure that the county performs all its functions optimally and within specified laws.

e. Strengthening Preparedness and Response To Disaster

The legal framework to support disaster risk reduction and preparedness will be improved to guide more resilience and response to disasters. The government will also seek to promote frameworks for collaboration and mobilization of resources and communities in management of disasters and pandemics.

5.2.1 Key Drivers of the Recovery

The key drivers to the county re-bouncing back to optimal economic operations will be driven by;

i. Employment and Livelihood Support

The county will support initiatives geared towards creating employment opportunities within the county. Over the medium term, the county targets to create 50,000 jobs.

ii. Community Driven Development

The county will strengthen capacity of communities to plan for their localities through the community action plans and funding of the identified priorities in the community. The county will also leverage on the existing skills sets within the community by promoting community

volunteerism in development (*Mwethya wa Maendeeyo*). This approach is expected to increase the reach of government development initiatives and their sustainability.

iii. **Food security/Agro-processing**

Agriculture is the key source of livelihoods in the county and will be instrumental in the recovery from the economic slump. Farmers will be supported to access farm inputs and extension services through community extension volunteers to supplement extension staff. Agro-processing will be strengthened to add value and access markets.

iv. **Improved Fiscal Framework**

Key to achieving the planned development initiatives is the management of public resources to ensure there is efficiency and effectiveness in its use. The county will optimize use of revenues within the year and reduce wastage by seeking best practices in public finance administration. External resource mobilization will be enhanced to compliment sources of revenue as well as engaging private sector players through public private partnerships (PPP). The county will also implement strategies that will keep the county wage bill at legally acceptable levels.

Key Interventions to Reengineer the Economy

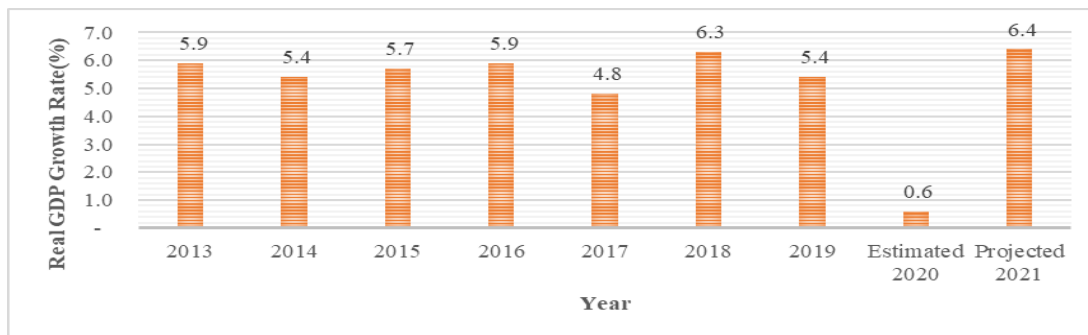
The 2021 CFSP articulates measures that will stimulate growth, promote job creation, reduce poverty, protect the vulnerable groups and businesses. To achieve these, the Government will:

- i. Roll out the Post-Covid-19 Economic Recovery Strategy
- ii. Enhance the community empowerment agenda at the village cluster level with a focus on enhancing agricultural production;
- iii. Foster a secure and conducive business environment by maintaining macroeconomic stability, enhancing security; improving business regulations;
- iv. Fast track development of critical infrastructure in the country such as roads and water,
- v. Transform economic sectors for broad based sustainable economic growth;
- vi. Improve access to education, strengthen health care systems and support to the vulnerable members of our society;
- vii. Support youth, women and persons with disability to enable them actively contribute to the economic recovery agenda;
- viii. Strengthen the community led development model with a focus on the village cluster.

2.0 RECENT ECONOMIC DEVELOPMENTS

2.1 National Economic Outlook

In 2020, the Kenyan economy and the world economy at large was adversely affected by the outbreak of Covid-19 Pandemic. The swift containment measures imposed disrupted the people's normal lives and livelihoods, businesses and economic activities. The economy is estimated to slow down to approximately 0.6 percent in 2020 down from a growth of 5.4 percent which was recorded in 2019. In 2021, the economy is projected to recover and grow by about 6.4 percent and by above 6.2 percent over the medium term.

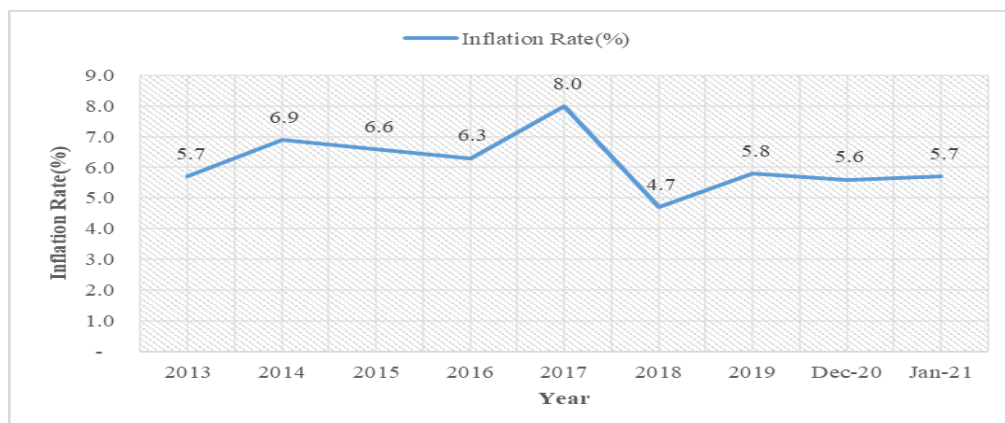


Source: Kenya National Bureau of Statistics

Figure 1; Trends in Kenya's Economic Growth Rates, Percent

2.1.1 Inflation Rate

Year-on-year overall inflation rate in the country remained low, stable and within the Government target range of 5+/-2.5 percent since end 2017. This demonstrates prudent implementation of monetary policies in the country. The inflation rate was at 5.7 per cent in January 2021 up from 5.6 percent in December 2020. This increase in inflation rate was attributed to a slight uptick in food and transport prices. The inflation rate is expected at 5.0 percent in 2021 which is within the Government target range.



Source: Kenya National Bureau of Statistics

Figure 2; Kenya's Inflation Rates 2013-December 2020

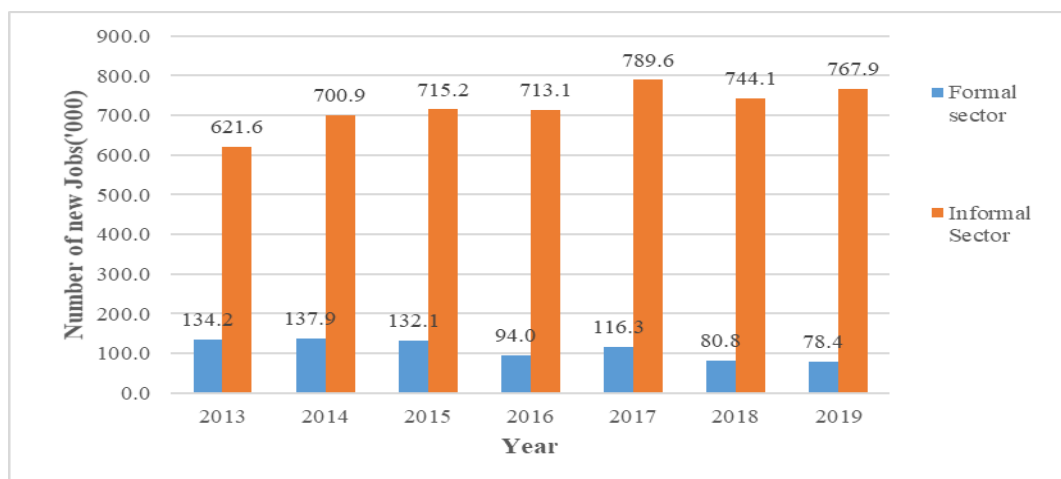
2.1.2 Interest Rates

Short-term interest rates remained fairly low and stable in 2020. The Central Bank Rate was retained at 7.00 percent on November 26, 2020 same as in April 2020. This signalled lending rates in order to support credit access by borrowers especially the Micro, Small and Medium Enterprises (MSMEs), distressed by COVID-19 pandemic. The interbank rate declined to 5.1 percent in December 2020 from 6.0 percent in December 2019 in line with the easing of the monetary policy and ensuring adequate liquidity in the money market.

The 91-day Treasury Bills rate was at 6.9 percent in December 2020 down from 7.2 percent in December 2019. Over the same period, the 182-day Treasury Bills rate declined to 7.4 percent from 8.2 percent while the 364-day decreased to 8.3 percent from 9.8 percent.

2.1.3 Number of New Jobs created 2013-2019

Since inception of devolution in 2013, a total of 5,826,100 new jobs have been created in the country. Of these new jobs, 87% have been created in the informal sector while 13% in the formal sector. This represents an annual average of 832,300 new jobs.



Source: Kenya National Bureau of Statistics (KNBS)-Different Economic Surveys.

Figure 3; New jobs created in Formal and Informal Sectors, 2013 to 2019

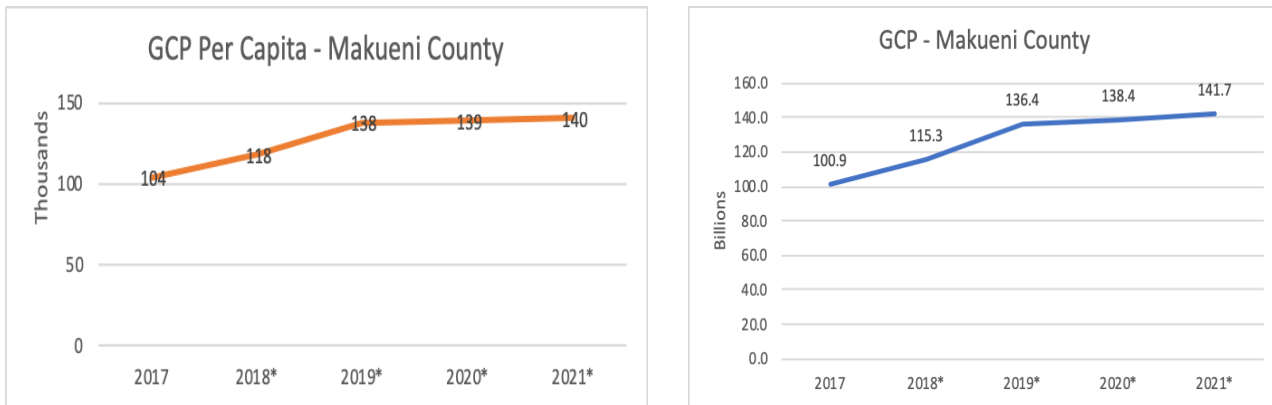
The country recorded a 12% increase in the number of new jobs created in 2019 to the number of jobs compared to the number of new jobs that were created in 2013. The growth in the number of new jobs is partly attributed to recruitments done in the implementation of devolved system of Government, employment of more teachers and growth in the labour intensive sectors such as wholesale and retail trade, and construction.

2.2 Overall Economic Growth in the County

2.2.1 Makueni Gross County Product (GCP) and GCP Per Capita

Makueni County contributes 1.4 per cent of the national GDP annually. The county economy is expected to have produced 136.4 Billion in 2019, 138.4 Billion in 2020 and is projected to produce 141.7 Billion in 2021 at current prices. The county is expected to grow at an annualized rate of 8.6 per cent from 2017 to 2021, which is higher than the national annual growth rate of 5.5 per cent over the same period.

In 2020 and 2021, the county economy is expected to grow at a slower rate due to the effects of COVID-19 pandemic and containment measures towards curbing spreading of the disease. Revamping and boosting agricultural production and value addition through government and private investment will accelerate economic growth. Moreover, easing COVID-19 restrictions and funding MSMEs will boost growth in; accommodation and food sector; transport and storage sector as well as the wholesale and retail trade



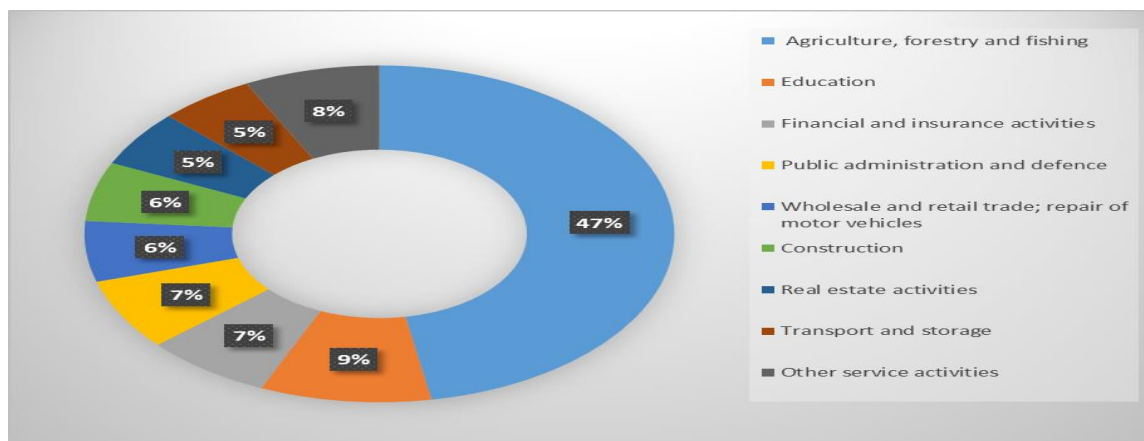
Source: Makueni County Treasury, 2021

Figure 4; Makueni Gross County Product and Per Capita GCP Projections, 2017- 2021*

2.2.2 Contribution of Main Sectors to Gross County Product (GCP) – FY 2019/20 - 2021/22

Nationally, in the 2019 GCP Report, Makueni County was ranked twelfth in GCP contribution by education activities, thirteen in construction activities, fourteen in human health and social work activities and seventeen in Public administration and defence. These sectors contributed significantly to the Makueni GCP.

Agriculture contributed the highest share (47.2%) to the Makueni GCP at current prices. Education (9%), public administration, defence, and financial and insurance activities each at 7%. The sector contribution towards the gross county product (GCP) is presented in figure 5 below:



Kenya National Bureau of Statistics, Gross County Product Report 2019

Figure 5; Sectoral Contribution to GCP at Current Prices (Percentage)

Funding towards field extension services will impart farmers with valuable knowledge and skills on good agricultural practices which will likely lead to increased production. With improved rains, agricultural production in 2021 is likely to increase. Improved house hold incomes which are likely to be realized post COVID-19 will increase demand for agricultural products hence growth in the sector.

At the county level, manufacturing contributes 0.5 per cent towards the county product. Agricultural manufacturing is expected to increase, with strategies put in place to increase delivery of farm produce to milk and fruit factories in the county. Good amounts of rainfall experienced during the year have led to increased production hence availing the following raw materials; fruits, vegetables milk, meat, grains and fibre crops for processing and milling. Milk processing at the County through several milk processors commissioned in the County is expected to drive the growth of revenue generated from milk. Growth of cottage industries in sisal, macadamia and minerals is expected to increase value addition and boost the county's manufacturing sector. Completion and operationalization of the Makindu Grain Processing Facility and Kasikeu Milling Plant will add value to the grains in the county through sorting, grading and milling. This is expected to grow positively grow the food processing sub-sector in manufacturing.

The construction sector accounts for 5.7 per cent while real estate activities accounts for 5.4 per cent of the gross county product. Major construction and civil works are expected in the roads sector, and housing from the private sector, occasioned by the rising demand for housing in urban centers. This is due to increasing urbanization, which estimated at 11 percent. Construction activities around Thwake dam, Thwake Bridge, Konza Techno City and rehabilitation of classified roads are expected to keep the sector afloat.

In Makueni County, accommodation and food services sector accounts for 0.3 per cent of the total county gross value added. The county has been experiencing increased demand for accommodation and food services due to increased urbanization and a growing middle class. This sector has been the hardest hit by COVID-19 guidelines and restrictions. Hotels closed or scaled down their operations for an indefinite period, and movement restrictions imposed in the country. MSMEs conducting activities around this sector have recorded a major drop in revenues of up 80 percent. This implies that the sector may face huge growth deceleration in 2020. Easing of COVID-19 restrictions in the sector will provide 24 hours of service to clients hence record economic growth in the sector. In addition, interventions by both levels of government are necessary to spur consumption and growth of the sector. The County Government of Makueni has allocated Kshs. 20 million to cushion and boost MSMEs engaged in this sector. Continued investment in urban infrastructure and tourist attraction sites, is expected to increase private sector investment. Wholesale and retail trade and repair of motor vehicles sector account for 5.8 percent of the gross county product

Transportation and storage sector in Makueni County accounts for 5.2 per cent of the total county gross product. The sector remained robust in 2019 due to increase in demand for the goods and services produced in the county to other parts of the country and vice versa. In 2020, growth in the sector decelerated due to COVID-19 restrictions and lockdowns, which reduced the movement of people. Lifting the COVID – 19 restrictions in 2021 and post this pandemic will lead to growth in the sector since the passenger sub sector will operate at full capacity. The courier services sub-sector is expected to record a substantial growth since the movement of goods was exempt from the COVID-19 restrictions. Interventions geared towards the improvement of the county roads are expected to boost the movement of goods and services within the county.

At the county level, the information and communication sector contributes 0.9 per cent of the gross county product. In 2020, the sector experienced growth within the county due to increased consumption of e-products and services as a result of working remotely due to the pandemic. Information communication technology is expected to increase with the government's intention to increase automation of its functions and robust ICT applications training. The county is also leveraging technology in linking MSMEs with customers. This will be realized through marketing agricultural, tourism and cottage products through e-commerce platforms and other marketing platforms.

The output from the finance and insurance activities sector accounts for 7 per cent of the county gross product. In 2020, the sector recorded drop in growth due to restructuring of credit and loan payments after the outbreak of the pandemic. Easing of COVID-19 restrictions in 2021 will lead to increased household incomes due to increase in economic activities hence more disposable incomes. These will increase demand for financial and insurance products leading to growth in the sector. Investments geared towards financial inclusion for the unbanked through table banking and connecting them to financial services. Access to financial services has also been improved through government support. The county population has received increased access to subsidized loans, through local banks. Citizens have also increased subscription to insurance premiums ranging from property, health and life thereby translating to a growth of the insurance subsector.

The education sector contributes 9.4 percent of the county product. In 2020, this sector has been the worst hit due to closure of schools for a period of 9 months. Opening of schools in January 2021 has led to the resumption of learning activities in the country. Further easing of COVID - 19 restrictions will boost growth in the sector due to the increase in consumption of services in the sector.

Table 1; Summary of Makueni County Gross Product, 2017

No.	Sector	2017 Makueni Gross County Product			
		2017 GCP at Constant Prices (000,000)	Percent Contribution	2017 GCP at Current Prices (000,000)	Percent Contribution
1	Agriculture, forestry and fishing	17,616	33.11	47,606	47.2
2	Education	10,026	18.85	9,477	9.4
3	Real Estate Activities	3,650	6.86	5,463	5.4
4	Public administration and defense	3,647	6.86	6,927	6.9
5	Construction	3,119	5.86	5,739	5.7
6	Wholesale and retail trade; repair of motor vehicles	3,203	6.02	5,875	5.8
7	Transport and storage	2,943	5.53	5,276	5.2
8	Financial and Insurance Activities	3,133	5.89	7,050	7.0
9	Information and communication	1,596	3.00	881	0.9
10	Human Health and Social Work Activities	1,590	2.99	2,885	2.9
11	Other Service Activities	1,218	2.29	1,972	2.0
12	Mining and quarrying	530	1.00	638	0.6
13	Manufacturing	282	0.53	412	0.4
14	Water supply; waste collection	456	0.86	768	0.8
15	Accommodation and food service Activities	286	0.54	285	0.3
16	Electricity Supply	212	0.40	373	0.4
17	Professional, technical, and support services	1	0.002	2	0.002
18	FISIM1	-306	-0.58	(703)	-0.7
	Total	53,202	100.00	100,926	100.0

Source: Kenya National Bureau of Statistics (2018 GCP Report)

3 COUNTY DEVELOPMENT ACHIEVEMENTS

This chapter provides the county development performance and achievements in FY 2019/20. The achievements have been clustered under the following thematic areas; Community economic empowerment; Socio-Economic Development; Health care; Land and Urban Planning and Development; Water Resource Management and Enablers (Energy, Infrastructure and ICT, Governance, Institutional capacity, Citizen Engagement and Fiscal responsibility and Accountability).

3.1 Community Economic Empowerment

This thematic area comprises of agriculture, livestock and fisheries; trade, industry, co-operative and tourism.

3.1.2 Agriculture and Livestock Productivity

Over the period, the county has continued investing in the four main value chains (green gram, mango, dairy and poultry). With majority of farmers practicing subsistence farming at 183,660 farm households, maize farming is still dominant. The investment in the green gram value chain is aimed at encouraging farmers to engage in high value drought resistant crops farming. Mango production has increased by 23 per cent from 275 MT in 2015 to 338 MT in 2019. Maize and green grams' production increased by 8.77% and 11% respectively over the same period

On the other hand, livestock production has improved over the years with the increased uptake of Artificial Insemination and modern animal husbandry. The milk production has increased from 18 M litres in 2015 to 21 Million litres in 2019 representing 16 per cent increase. Meat production also increased by 27.4 % while production of chevon and mutton remained fairly constant.

3.1.2 Trade, Tourism and Commercialization

To promote trade, the county government has supported the growth of cooperatives from 142 in 2015, to 242 in 2019. This has grown the membership 56,980 with a total turnover of Kshs 263,202, 999.00 in FY 2019/20.

3.2 Socio-Economic Development

3.2.1 Education

Over the years, the county has invested in both education infrastructure and human resource development for the ECDEs and CTTIs. The number of ECDE centres has increased from 1,385 in 2015 to 1,452 in 2019, while the gross enrollment increased from 89.9 per cent to 119.4 per cent over the same period. The number of CTTIs has increased from 36 in 2015 to 51 in 2019 while enrollment increased by 39.14 % from 3,311 to 4,607 over the same period.

3.2.2 Social Protection and Recreation

The county has over time invested in measures aimed at improving the living conditions of the poor and the vulnerable members in the community. These efforts are key in alleviating poverty and reducing the dependency levels within the community while enhancing self-reliance and economic empowerment. In the county, the dependency rate reduced from a high of 96.1 per cent in 2013 to 78.5 per cent in 2019. The uptake of the social protection

funds and the cash transfer programme had greatly improved with a cumulative disbursement of over Kshs 3.3 Billion since 2016. This has played a critical role in empowering the vulnerable community members.

3.2.3 Health Care

Health sector's overall goal is to attain the highest possible standards of health care to all in accordance with the Constitution, the Kenya Vision 2030 and the Makueni Vision 2025. The Constitution underscores the "right to health" while the Vision 2030, the Makueni Vision 2025 as well as the "Big Four" (4) agenda for the Government recognizes provision of equitable, accessible and affordable health care of the highest attainable standards to all Kenyans.

Significant achievements were realized during the review period;

Immunization coverage improved from 90 per cent to 93 per cent. On reproductive health, modern family planning services uptake increased from 57 per cent to 59 per cent, deliveries conducted by skilled personnel increased from 60 percent to 72 percent, and pregnant mothers attending at least 4 ANC visits improved from 37 percent to 60 percent. Additionally, 91,059 households were registered under Makueni care scheme while NHIF coverage increased from 14 per cent to 16 per cent.

3.3 Lands, Urban Planning and Development

Land is a key factor of production and the requisite investment in human settlement, land secure tenure and environmental conservation contributes immensely to sustainable development. In 2013, the county had only 19.8 per cent of all land owners with title deeds. Over the years' investment and collaboration with national government agencies, a total of 97, 079 title deeds have been issued to land owners.

Through the Kenya Urban Support Project (KUSP), the government carried out urban infrastructural development where Ksh 40,202,909.20 was used to renovate Wote Marikiti Market project and Ksh 69,575,499.40 used to construct Wote Green Park. The grant was also used to establish of offices and operationalize Wote Municipality and the preparation of Municipal Integrated Development Plan and Spatial Plan. The programme awaits disbursement of Kshs 136,261,600.00 to improve Wote Town access roads and install high mask floodlights in major towns within Wote Municipality.

3.4 Water Resource Management

Access to safe and reliable water is undoubtedly a key development outcome and critical in the realization of Makueni Vision 2025 and the Sustainable Development Goals (SDGs). The county has invested heavily in water harvesting since FY 2013/14, with the rallying call *Kutwiikanya kiwu*. Several milestones have been attained with the distance to the nearest water point reducing, with some Wards on the verge of attaining universal water access, where citizens can access water within radius of 2 Kms. This is significant drop from high of

8 Kms in 2013. The percentage distribution of households by time taken to fetch drinking water with 65.5 per cent taking less than 30 minutes to fetch drinking water.

3.5 Enablers

3.5.1 Energy, Infrastructure and ICT

The Energy, Infrastructure and ICT (EII) Sector plays a significant role as a driver and enabler in the implementation of the Makueni Vision 2025. The sector aims at providing efficient, affordable and reliable infrastructure which is critical for socio-economic transformation underscored in the Makueni 2018-22 CIDP.

The county has made remarkable progress in the infrastructure investment to accelerate socio-economic transformation. In 2013, the county had poor roads network with gravel and earth roads accounting for 555.2 Kms and 2,194.6 Kms respectively. Most of the roads were impassable during the rainy season and the county invested heavily in machinery to ensure sufficient county own machinery to make it easy to upgrade the roads to all weather.

During the FY 2019/20 the Transport Sub Sector opened 533.9 Kms, graded 2513.1km and gravelled 432.4 km. There have also been considerable gains in the energy Sub Sector with the proportions of HHs using solar for lighting increasing from 24.5 per cent in FY2015/16 to 48.3 per cent in 2019 and the proportion using electricity increasing from 17.6 per cent to 20.4 per cent over the same period. This is attributed to the good uptake of the national electrification programme and penetration of solar energy for lighting in rural homes.

3.5.2 Institutional Capacity

To enhance service delivery, the County Government initiated performance contracting where 96 per cent of all staff were involved. The County initiated a survey on existing staff structure / skills that will assist in rationalizing County human resource.

3.6 Revenue and Expenditure Performance

The total budget for the FY 2019/20 was revised to Kshs. 11,186,278,571.72 up from the printed estimates of Kshs 9,286,317,262.00. The revised budget comprised of Kshs 6,379,118,237.62 for recurrent (57 per cent) and Kshs 4,807,160,334.09 for development budget (43 per cent).

3.6.1 Revenue

The County Budget was funded from five main sources namely; shareable revenue from the National Government of Kshs. 7,406,100,000.00 (66 Per cent), FY 2018/19 reallocation funds amounting to Kshs 1,737,654,790.72 (16 Per cent), own-source revenues Kshs 655,235,126.00 (6 per cent), conditional allocations – Kshs 289,996,121.00 (3%) and other loans and grants Kshs 1,097,292,534.00 (10 Per cent).

Table 2; FY 2019/20 Revenue Performance

Source	FY 2019/20 REVISED REVENUES	RECEIVED REVENUES	BALANCE	PERCENT
Equitable share	7,406,100,000.00	6,769,175,400.00	636,924,600.00	91

Source	FY 2019/20 REVISED REVENUES	RECEIVED REVENUES	BALANCE	PERCENT
Conditional allocations	289,996,121.00	289,996,120.50	0.50	100
other loans and grants	1,097,292,534.00	800,633,813.10	296,658,720.90	73
Own source revenue	655,235,126.00	465,939,455.75	189,295,670.25	71
Sub Total	9,448,623,781.00	8,325,744,789.35	1,122,878,991.65	88
FY 2018/19 Reallocation funds	1,737,654,790.72	1,737,654,790.72	0	100
Total Revenues	11,186,278,571.72	10,063,399,580.07	1,122,878,991.65	90

Source; County Treasury

The County managed to mobilise 88 Percent of the total revenues. Own source Revenue performance was the least at 71 percent owing to the negative effects of COVID 19 pandemic that affected the third and fourth quarter of the financial year. The performance of the Equitable share, other loans and grants and conditional allocations was 91 percent ,73 percent and 100 percent respectively.

3.6.2 Expenditure Performance – FY 2019/20

The total budget for the year under review was Kshs11,186,278,571.72. The total Executive budget amounted to Kshs. 10,361,050,659.36, while the County Assembly budget amounted to Kshs. 825,227,912.80.

The budget for FY 2019/20 was revised from Kshs 9.286 billion to Kshs 11.186 billion, a deviation of Kshs 2.117 billion. The deviations resulted from an increase in conditional allocations and the fund balances brought forward from FY 2018/19 amounting to Kshs. 1,692,140,526.71 which included Kshs. 1,606,537,697.13 and Kshs. 21,603,290.80 for County Executive and County Assembly respectively. The reallocation funds comprised of Kshs 1,516,765,172.82 for development and Kshs 111375815.11 for recurrent expenditure.

The overall County expenditure for the period ending 30th June 2020 amounted to Kshs. 8,591,014,857.66 representing an underspending of Kshs 2,595,263,713.55 equivalent to 23 per cent deviation from the revised budget. The overall budget absorption stood at 76.8 per cent.

The absorption rate rose from 79 per cent in FY 2017/18 to 81 per cent FY 2018/19 and then dipped to 76.8per cent in FY 2019/20. The low absorption rate was attribute to the slow Government activity in the third and fourth quarter due to the effects of COVID 19 pandemic. The containment measures negatively affected the implementation of projects.

Table 3; Expenditure performance – FY 2019/20

Expenditure Item	FY 2019/20 Revised Budget (3)	Expenditure as at 30 th June 2020	Vote balance	Absorption Rate (%)
Personnel Emoluments	3,789,811,569.17	3,787,540,938.65	2,270,630.51	99.94%
Operations and Maintenance	2,589,306,667.95	2,160,724,229.86	428,582,438.09	83.45%
Recurrent Budget	6,379,118,237.12	5,948,265,168.51	430,853,068.61	93.25%
Development	4,807,160,334.09	2,642,749,689.15	2,164,410,644.94	54.98%
Total	11,186,278,571.21	8,591,014,857.66	2,595,263,713.55	76.80%

Source County Treasury

Recurrent expenditure for FY 2019/20 amounted to Kshs. 5,948,265,168.51, against a target of Kshs. 6,379,118,237.62. This represented 93.25 per cent expenditure absorption against the budget and decreased from the 95 per cent recorded in the FY 2018/19.

Development expenditure for FY 2019/20 amounted to Kshs. 2,642,749,689.15 compared to a target of Kshs. 4,807,160,334.09. This represented 55 per cent expenditure absorption against the budget, a decrease of 6 per cent from the absorption rate in the FY 2019/20.

3.7 Revenue and Expenditure Performance FY 2020/21 Half Year

3.7.1 Revenue Mobilization

3.7.2 Expenditure Performance

The County Government recorded expenditures amounting to Kshs 3,152,470,654.61 in the first half of FY 2020/ 2021. This represents an overall absorption rate of 27 per cent against the total budget of Kshs 11,672,939,708.37. The County recurrent expenditure amounts to Kshs 2,284,795,791.36 representing 34 per cent absorption against the total recurrent budget of Kshs 6,674,864,837.98 and development expenditure of Kshs 867,674,863.25 representing a 17 per cent absorption against the total development budget of Kshs 4,998,074,870.39. The budget performance is expected to improve in the third and fourth quarters of the financial year.

3.7.2 Revenue Performance

The overall revenue performance as at 30th December 2020 stood at 40 per cent. The County had received 42 per cent of the Equitable share, 41 per cent conditional allocations 47 per cent loans and grants and had mobilized 21 per cent of the targeted own source revenues.

Table 4: Revenue performance – First half – FY 2020/21

Revenue Source	FY 2019/20 Revised revenues	Received revenues	Balance	Percent
Equitable share	7,464,930,000.00	3,132,361,500.00	4,332,568,500.00	42
Conditional allocations	556,437,040.00	228,197,554.00	328,239,486.00	41
other loans and grants	623,061,628.00	292,245,848.90	330,815,779.10	47
Own source revenue	1,093,000,000.00	226,966,343.08	866,033,656.92	21
Sub Total	9,737,428,668.00	3,879,771,245.98	5,857,657,422.02	40

Source; County Treasury

Despite the projected improvement of the own source revenues in the third and fourth quarter of the financial year, the county projects a deficit of Kshs 550M. To mitigate this, the County Treasury will ensure expenditures are aligned to the revenues mobilized. In addition, some of the programs budgeted for in FY 2020/21 amounting to Kshs 300M will be re-budgeted to FY 2021/22.

4 DEVELOPMENT PRIORITIES - FY 2021/22 – 2023/24 MEDIUM TERM EXPENDITURE FRAMEWORK

This chapter outlines the county development framework for FY 2021/22 – 2023/24 aimed at achieving the goals and aspirations as outlined in the Makueni Vision 2025 and CIDP 2018-2022.

4.1 Agriculture, Irrigation, Livestock and Fisheries Sub Sector

Agriculture contributes 78 per cent of the total household income in Makueni County and is the driver of the County's economy. The Agriculture sector contributes 47.2 per cent of the total Gross County Product based on the KNBS Gross County Product Report of 2019. The farming households in the county are 193,531 accounting for 79.1 per cent of the total households. Approximately 74 per cent are involved in crop production, 65 per cent of livestock production and 6.4% irrigation farming. The total agricultural land in the county is 303,089 hectares (37 per cent of the total landmass) with 183,660 hectares (61 per cent of the total agricultural land area) used for subsistence farming while 7,587 hectares (2.5 per cent of the total agricultural land area) used for commercial purposes.

Sub Sector Objectives

During the period, the sub sector will aim at: Increasing agricultural productivity through adoption of appropriate and modern technologies; reducing post-harvest losses; enhancing industrialization (agro processing, cottage industries); and ensuring inclusive participation in economic activities. This will be realised through the following strategic interventions;

Strategic Intervention 1: Production

The gains in agriculture production will be sustained through investment in key value chains as well as ensuring the provision of genuine and high-quality farm inputs by the agriculture outlets within the county.

Horticulture value Chain. The main horticultural produce in Makueni are fruits with the distribution of households growing the produce as follows; mangoes – 70,130; Citrus – 27,006; Avocado – 34,107) the households farming vegetables (tomatoes - kales and spinach). The County government will spearhead the formation of an apex fruits cooperative support establishment of certified fruit nurseries, support in the provision of certified seeds and value addition to curb post-harvest losses, enhance certification of horticulture farmers in accordance international market requirements and capacity fruit and vegetable cooperatives.

Integrated grain and pulses value chain development. The County has a high unexploited potential in the production of grains and pulses. Cereals and pulses produce is the main livelihood in middle and lower zones of the County. Green grams are the main grains produced in the county for they are grown by 29 per cent of the households, with a total annual production of 76,995 MTs and valued at Ksh 3,994,987,500.00. Other grains produced include maize, beans, sorghum, millet, pigeon peas and cowpeas. The County is in the process of constructing and operationalizing a grain processing plant in Makindu and Kasikeu milling plants to support the value chain. The county will also map out the production zones linked to the processing plant, mobilize farmer groups into organized units of production and

marketing, capacity build farmers on contractual farming and ensure the operationalization of grain aggregation centres in wards with highest production levels.

Dairy Development. Dairy production in the county has been promoted through various interventions such as artificial insemination to improve dairy breeds, promotion of pasture development and enhanced livestock disease control. The current annual milk production is 28,092,231 litres, which is a 54 per cent increase from 18,625,149 litres of milk in 2015. The government will promote sexed artificial insemination, pasture development and empower dairy cooperatives as the vehicles for the provision of extension services, disease control programmes, veterinary clinical services, AI services and other inputs. Additionally, it will establish dairy training at ATC Kwa Kathoka and Collaborate with the Department of Education to establish a dairy training and support centre in Nduluku CTTI, establish a breeding centre and increase artificial inseminations from 8,053 inseminations in 2019/20 to 15,000 inseminations in FY 2021/22.

Poultry development. Poultry production is considered as one of the most effective means of empowering rural communities to alleviate poverty through increased household incomes by increased egg and meat production as well as providing important nutrition requirements for the communities. The county government has invested in the poultry value chain through breed improvement by supplying improved Kienyeji chicks to farmers, vaccinating the chicks and training on poultry husbandry skills. To enhance the programme, the government will integrate with trade department to strengthen an apex poultry production and marketing cooperative in the county, develop poultry aggregation centres and enhance market linkages through the promotion of contractual poultry keeping and development & promotion of a poultry brand for the county

Integrated Meat production and Marketing. The county has substantial livestock production resource that is traded as both live animals and livestock products along different market chains, which include beef, poultry, goat and sheep. As of 2019, the total earnings from beef, sheep and goat meat was Kshs 4.4 Billion. The government will promote pasture and fodder development, invest in range rehabilitation, enhance artificial insemination for beef animals and promote goat and sheep production in lower agricultural zones.

Livestock Disease Control. Animal health services are critical for prevention, control and eradication of diseases that adversely impact the productivity, quality and marketability of animals and animal products. To improve the herd immunity coverage and better management of livestock diseases, the county will strengthen the current livestock disease surveillance system and data management and enhance vaccination and animal health programmes.

Honey Development. Makueni County has a high potential for honey production endowed with a wide variety of acacia trees and other nectar-rich flowering plants. The county has an estimated number of 5,100 farmers involved in beekeeping. An estimated 627,955 kg of honey valued at Kshs. 313,977,500 is produced annually against a potential of 1,309,340kg amounting to 48% of the potential. There are 72,499 beehives (traditional and 14,905 modern hives. The government will profile and recruit participating beekeepers in the county and

spearhead formation of the Makueni Bee Keepers Association (MABEKA), support farmers to establish bee apiaries, promote the establishment and equipping of honey collection centres, strengthen community forest associations to invest in beekeeping and support in honey processing and marketing.

Fisheries Development. There are 139 fish farmers in the county with an annual production of 11MT worth 4.43 million shillings. The demand for table size fish in Makueni is estimated at 183MT and surpasses the supply. To enhance fish production in the county, the government will strengthen the fish hatchery at ATC Kwa Kathoka to enhance production and distribution of 100,000 fingerlings to farmers, develop 6MT capacity storage facility for fish and promote dam/riverine fisheries and enhance the production of fish feed.

Strategic Intervention 2: Governance and Institutional Capacity Building

The cooperative sub-sector is a key driver to the county economic empowerment initiatives. The cooperatives societies have faced challenges in governance and low capital base. To strengthen the cooperative movement, the county will promote collectivization of producer groups at the village cluster, ward level and at the county level. The producer groups at the village cluster will be responsible for organizing production and serve as collection points. The producer groups will be linked to ward cooperative societies responsible for marketing. The ward cooperative will align to a countywide cooperative movement that will liaise with the county government, national government and other actors on policy issues, marketing and market access. Additionally, the county will build the capacity gaps of cooperatives and empower them to be competitive in the respective areas of production

Strategic Intervention 3: Processing and Value Addition

Agro-processing has tremendous potential for increasing income through value addition, increasing shelf life and access to food security. The county has invested in this component through the construction of processing plants to promote value addition to pulses for increased household income among the small scale farmers in the county. In Kasikeu Grain Milling Plant, landscaping and internal roads will be done, a storage facility for the finished products constructed, retail packaging line installed, purchase and install equipment and machinery for milling pulses and blending of composite flour and establishment of animal feeds formulation unit.

In Makindu Grain Processing Plant, Landscaping and internal roads will be done, acquisition of statutory certification done, completion and installation of remaining tools and equipment and installation of security systems. The facility will be operated under private-public partnerships (PPP). An apex body of grain farmers will be formed to oversee the production and delivery of grains to the plant, processing and marketing of the processed pulses locally, nationally and in the external market.

Also, support in the establishment of small scale agro-processing enterprises and rural-based industries, as well as the existing ones, will be done. The aim is to draw the youth who find less attraction in primary production agriculture to trade in agricultural products retailing to improve the county's rural economy. In efforts to increase household income among the

youths and women involved in poultry farming, the county will facilitate the training of the producer and marketing of organized groups.

The county will also invest in setting up a commercial production unit/plant for sand-based products by youth in Sultan Hamud town. The products will include cabro, fencing posts, road kerbs, water channels, culverts and bio-sand filters among others. This will be a Social Enterprise for Youth organized into a Cooperative where they buy shares envisaged to carry out sustainable exploitation of sand resources.

4.2 Land, Urban Planning and Development

The sub sector constitutes priority areas, which include lands, physical planning and mining. Land is the most basic of all economic resources and is fundamental to the economic development of Makueni County. Land is a key factor of production and the requisite investment in human settlement, land secure tenure and environmental conservation contributes immensely to sustainable development. In 2013, the county had only 19.8 per cent of all land owners with title deeds. Over the years' investment and collaboration with national government agencies, a total of 97, 079 title deeds have been issued to land owners and 22 urban land use plans have been prepared and 12 approved by county assembly and 4 have been implemented to enhance urban development.

Sub Sector Objectives

The strategic objectives under this sub sector include: improving urban planning and infrastructure development; Improving land information management; Increasing land owners with secure land tenure system from 30% to 40%; and enhancing mapping, exploration and development of the existing mineral resources.

To help address the challenges mentioned above and hence achieve the stated objectives, county government will implement the following strategic interventions:

Strategic Intervention 1: Land Legal Policy and Framework

The county will strengthen policy, legal and regulatory framework on spatial planning and development and mining exploration and development. This will help to guide land use, management and tenure as well as use and management of mineral resources.

Strategic Intervention 2: Lands Survey and Titling

In an attempt to increase security of land tenure and management, the county government will increase the percentage of landowners with title needs through collaboration with National Land Commission (NLC) to map and survey county adjudication sections, markets and public lands.

Strategic Intervention 3: Infrastructure Development in Urban Areas

The county will continue supporting the Big 4 Agenda of urbanization and housing by increasing access to affordable and decent housing through improved physical planning and establishment of land spaces for urban development. Compliance rate for urban plans will be enforced and land information management will be enhanced to ensure effective storage and retrieval of spatial data. The county will verify and validate all public plot allocations and upload in the County-LIMS and disseminate approved land use plans to all urban markets.

Strategic Intervention 4: Mining Mapping and Development

Enhance mapping, exploration and development of the existing mineral resources, established and operationalize Artisanal Mining Committees; and finalize and enforce county mining policy. The government will strengthen cooperative movement to assist farmers to seek for market both locally and internationally.

4.3 Trade, Industry, Cooperative and Tourism sector

The government is committed to enhancing trade development, marketing and value addition, which will create income-generating activities thereby contributing in increasing household income. The sector is comprised of trade, cooperatives industry and the tourism sub-sector. To address the challenges bedevilling the sector, the county will implement the following strategies intervention;

Strategic Intervention 1: Marketing and Market Linkages/Infrastructure

The county is blessed with products ranging from agro-processing products, fresh product, carvings and tourism which lack of market due to various externalities. The county will develop pro-investment policies that will promote the county as a prime investment destination and marketing of county products. Specific initiatives include;

- a. Developing relevant market access policies and programs to enhance the ease of doing business as well as making investments in the county;
- b. Finalize on development and operationalize marketing portal
- c. Facilitating trade fairs and agricultural shows for county traders;
- d. Identification of potential markets for county products;
- e. Promotion of tourism events and marketing of attractive sites in the county;
- f. Hold quarterly meetings with the private sector;
- g. Coordinate maintenance of 20 market sheds by the community members;
- h. Marketing county tourism and hospitality potential;
- i. Engage national agencies such as KEBS, KIRDI, MSEA to standardize local products
- j. Construct consumer protection laboratory

Strategic Intervention 2: Revitalizing MSMEs after COVID-19 through Financial Intermediation and Inclusion

Businesses and small enterprises have been greatly affected by COVID-19 pandemic and there is a need for government to intervene to support the falling sector. The county will link entrepreneurs especially Youth, women and PWD to *Tetheka* Fund to ensure common interest groups are supported to achieve their objective.

Strategic Intervention 3: Promotion of Fair Trade Practices and Consumer Protection

The county will promote fair trade practices and protection through;

- a. Continuous inspection and certification of products to meet the required standards;
- b. Establishment of a Consumer protection laboratory and standardization of trading equipment (legal metrology);
- c. Inspecting and verifying 7,000 weighing and measuring equipment;
- d. Creation of consumer awareness. e. Enforce 50 kg package rule on fresh produce
- e. Verification of weighing equipment used by businesses

4.4 Water Resource Management

Water, Sanitation, Environment and Climate Change sector consists of five sub sectors i.e. Water, Environment, Forestry, Sand Authority and Climate Change. The sector's mandate includes Environmental policy management, Forest development policy management, Water resources management policy, and Water and Sewerage services policy and Sanitation improvement. It also includes wastewater treatment and disposal policy management, conservation and protection of national wildlife and water catchment area conservation, control and protection.

4.4.2 Water and Sanitation

Access to safe and reliable water is undoubtedly a key development outcome and critical in the realization of Makueni Vision 2025 and the Sustainable Development Goals (SDGs). The county has invested heavily in water harvesting since FY 2013/14, with the rallying call Kutwiikania kiwu. Several milestones have been attained with the distance to the nearest water point reducing, with some Wards on the verge of attaining universal water access, where citizens can access water within radius of 2 Kms. This is a significant drop from a high of 8 Kms in 2013. The percentage distribution of households by time taken to fetch drinking water with 65.5 per cent taking less than 30 minutes to fetch drinking water.

Sector Objectives

The goal of this thematic area is to increase access to portable water in both rural and urban areas in a sustainable way. Specifically, the sector will seek to; Increase availability and access to safe water within 2 km; Improve water governance mechanism; enhance environmental conservation; and Improve water catchment management.

To help address the above challenges and meet the set objectives above, the county government through the sector will invest in the following strategies:

Strategic Intervention 1: Water Harvesting and Distribution

The water coverage stands at 35 per cent. To address the water shortage, the county will develop and improve the existing water infrastructure across all the Wards. This shall be attained through construction of; 2 medium sized dams, 30 earth dams and 15 sand dams. It

also intends to improve on water supply by constructing 160 Km. of pipeline extension. On ground water development, it will drill and develop 10 boreholes. To make the water safe, it will collaborate with sand authority to install Bio Sand Filters (BSF) at water sources. The department will also promote rainwater harvesting at institutional and household levels.

Strategic Intervention 2: Water Governance

The department will continue to disseminate and implement the Makueni water policy and Makueni County Water Act 2020. Additionally, it will train 50 community water schemes. The community will participate actively in water monitoring programmes, water conservation as well as participate in decision making on water resources such as project management, sustainability committees and water management institutions.

Strategic Intervention 3: Improved Sanitation and Water Safety

The county will promote improvement of sanitation at the community level (households) and at the institutions and urban areas.

4.4.3 Environment, Forestry and Climate Change Sub Sector

The vision for the sub sector is a sustainable clean, safe and healthy environment for a prosperous County and is a main enabler of all the Big Four Agenda on Food Security and Nutrition, Manufacturing, Universal healthcare and Housing. The sub sector is faced with several developmental challenges, which include: pollution of water resources, degradation of water catchments, loss of soil fertility, increased environmental pests and diseases; increased global warming; Partially devolved County functions Environmental disasters e.g. frequent droughts and floods; reduced environmental goods and services; poor market information and market linkages to producers and markets; poor market access; low value addition, non-existence of a proper pricing model of environmental goods and services; ever changing forest management and utilization dynamic in terms of price and policy.

Sub Sector Objectives

During the period, the sub sector will aim at: Enhancing institutional and public hygiene and sanitation through installing, operating and maintaining of sanitation facilities; Increasing forest cover and carbon sequestration by applying participatory forest conservation and management model; enhancing policy compliance on environmental goods and services uptake and mainstreaming Climate Change in socio-economic development sectors.

The county will employ various strategic interventions to achieve objectives articulated: key strategic interventions include:

1. Increasing Environmental Conservation of water towers and wetlands; Good Governance of environmental resources and sustainable management of natural resources as stipulated under Forest Conservation and Management Act, 2016 and the devolved County functions on implementation of specific National Government policies on Natural Resources and Environmental Conservation.
2. Promotion of best public and institutional hygiene practices by installation, operationalization and maintenance of public sanitation facilities in Urban centres and

public institutions as envisioned under County Government Act, 2012 on Refuse removal, refuse dumps& solid waste disposal, street parking, firefighting, public nuisance, noise pollution.

3. Enhancing community resilience on Climate Change by adopting best adaptation and mitigation initiatives while mainstreaming Sustainable Development Goal (SDGs) No. 13 on Climate Action.
4. To promote the uptake of Environmental education, advocacy, research, innovation& invention to build a strong public participation decision making tool for sustainable development as envisioned under the Constitution of Kenya and the Tbilisi declaration of 1977.
5. To promote the rule of law and compliance on statutory Environmental policies to a clean, safe and healthy environment; while enforcing EMCA, 2015 and subsidiary regulations, The Constitution of Kenya article 42, 69 and 70.

4.5 Health Services

Health is one of the devolved functions under the fourth schedule of the Constitution of Kenya 2010). The specific devolved health functions are county health facilities and pharmacies, ambulance services, promotion of primary health care, licensing and control of undertakings that sell food to the public, cemeteries, funeral parlors and crematoria and refuse removal, refuse dumps and solid waste disposal. The sector aims at enhancing access to effective, efficient and affordable quality health care to Makueni residents.

Sector Objectives

The sector will seek to implement the following strategic objectives towards realization of Universal Health Coverage in the county:

- Eliminate communicable diseases: The Health sector will achieve this by reducing the burden of communicable diseases, until they are not of major public health concern.
- Halt and reverse the rising burden of non-communicable diseases by setting clear strategies for implementation to address all the identified non-communicable diseases in the county.
- Reduce the burden of violence and injuries through directly putting in place strategies that address each of the causes of injuries and violence at the time.
- Provide essential health care that is affordable, equitable, accessible and responsive to client needs.
- Minimize exposure to health risk factors by strengthening the health prevention and promotion interventions, which address risk factors to health, plus facilitating use of products and services that lead to healthy behaviour in the population.
- Strengthen collaboration with private and other sectors that have an impact on health. The health sector will achieve this by adopting a Health in all Policies ‘approach, which ensures it interacts with and influences design implementation and monitoring processes in all health-related sector actions.

- To mainstream Research & Development for relevant evidence for policy, practice guidelines and products.

The following strategies will be pursued by the county government to enhance access to quality health care for all.

Strategic Intervention 1: Promote Access to Primary Healthcare

The strategy will be achieved through; enhancement of WASH and Nutrition programmes by restructuring of the community health strategy, provision of stipends to the community health volunteers, support initiatives that improve health-seeking behavior for the residents and health promotion/education on sanitation and basic health care to the residents.

Strategic Intervention 2: Strengthen the Human Resource for Health

In order to provide effective and quality health care, adequate health staffing levels compared to population needs will be addressed through additional recruitments of different health cadres and redistribution of the existing staff in line with the health facility workload.

Strategic Intervention 3: Enhance preventive measures on Non-Communicable Diseases (NCDs) and Infectious Diseases

The government will raise awareness on NCDs at the lowest levels of the society in order for the residents to change their lifestyles. The county will also promote advocacy on benefits of traditional high value crops. Through the community health volunteers, the sector will target door-to-door delivery of health education on NCDs to the residents. The government will also establish predominant risk factors and drivers of NCD through setting up capacity for NCD screening and diagnostic services at the facility and community levels. Community will be mobilized to undertake physical exercises in order to reduce risks of contracting NCDs.

Infectious diseases are highly communicable and easily transmitted from person to person by direct contact or through a vector. These diseases include malaria, Flu, Tuberculosis, rabies, measles, STDs and HIV/AIDs. The government will increase the county's diagnostic capacity that will help in timely investigations and treatment for these ailments. The government will also construct and operationalize medical laboratories in health facilities that do not have. Other measures to be implemented include: improving water safety and quality through testing, enhance uptake of immunization services, train community health volunteers on TB case management and systematic screening for high-risk groups.

Strategic Intervention 4: Improve Health Infrastructure

Provision of integrated healthcare services is heavily dependent on the health infrastructure put in place. The government will renovate old and dilapidated health facilities in a bid to improve healthcare service delivery. Additionally, the sector will endeavour to provide water and electricity to health facilities that do not have these amenities.

Strategic Intervention 5: Enhance Healthcare Financing

The sector will enhance awareness creation on Makueni Care to ensure many households register in the scheme. This will be achieved through establishment of registration center's in level 2 and 3 facilities unlike the current practice where registration is done at the level 4 and 5 facilities. Residents will be encouraged to subscribe to the NHIF scheme. In addition, the sector will work with development partners and actors in health care in the County to close the financial gap thus enhancing resource mobilization.

Strategic Intervention 6: Adopt end-to-end Hospital Automation

The government will work towards ensuring all the 12 hospitals in the county are automated. This will lead to effective and efficient health care delivery.

4.6 Education

The Education Sub-Sector in the county comprises of 5 directorates namely; Early Childhood Development Education, Technical Training, Support to Education and Youth Affairs and the Sports and ICT directorates. Over the years, the county has invested heavily in both education infrastructure and human resource development for the ECDEs and CTTIs. The number of ECDE centers increased from 1,385 in 2015 to 1,452 in 2019, while the Enrolment increased from 42,000 to 43,635 over the same period. For the CTTIs, the number of CTTIs increased from 36 in 2015 to 51 in 2020 while enrolment increased by 39 % from 3,311 to slightly above 5,000 over the same period. The CTTIs enrolment is still characterized by low enrolment and apathy because of negative attitude by the community towards vocational training. However, with the introduction of market oriented courses, ICT and improved infrastructure, there has been improvement.

Sub Sector Objectives

The sector objectives for the set period are: to enhance a cohesive society through sports, culture and provision of quality education and training; to enhance access, relevance, quality and equity in Early Childhood Development and Education; to provide access to quality and relevant training to young people in youth polytechnics; and to enhance retention in secondary and tertiary institutions through provision of bursaries and scholarships.

Strategic Interventions

Strategic Intervention 1: ECDE Development

The county will enhance the access to quality early childhood education through construction, renovation and upgrading of education facilities in 15 ECDE centres. This will be rolled out in the backdrop of COVID-19 pandemic, which has affected the education sector. Additionally, the county will strengthen the staffing level through recruitment of 66 ECDE teachers and 6 sub-county ECDE education officers to bridge the personnel gaps in the learning institutions. The county will train 2,600 ECDE teachers on the new curriculum, nutrition and health. The county will continuously invest in improving the standards and safety measures in line with the guidelines by the national Ministry of Health to mitigate COVID-19 impacts on the education sector.

Strategic Intervention 2: CTTI Reengineering and Revitalization

Vocational and technical education is paramount in promoting economic development, expanding employment size as well as improving the working conditions in line with the Sustainable Development Goals. The county will upgrade 6 CTTIs and equip them with modern tools and equipment and improve the infrastructure for 10 CTTIs. Additionally, the county will operationalize Nzeeni CTTI in collaboration with Kenya Technical Teachers College (KTTC). The county will strengthen the staffing level through recruitment of 3 Vocational Quality Assurance and Standard officers.

To enhance governance and improve the standards in the CTTIs, the sector will facilitate the training of the 54 CTTIs Board of Management teams on governance and sensitization of primary and secondary school teachers in 3 forums to ensure quality assurance and standards in the learning institutions. Additionally, the sector will strive to improve the performance of students by organizing mentorship forums for 2,500 girls in the STEM programme.

Strategic Intervention 3: Improved sporting

The sector faces development challenges such limited opportunities for the youth to showcase their talents, lack of enough continuous competitive participation in county games, lack of an excellent exit plan for the identified talents and lack of enough exposure and participation of sportspersons in national and international competition. The county will invest in improving sporting infrastructure across the county and continuously build the capacity of the actors to continuously improve and enhance the competitiveness of the youth involved in sports.

4.7 Gender and Social Protection

The Sub- Sector plays a critical role towards the achievement of the Makueni CIDP 2018-2022 and Vision 2025 Programmes and projects while also fulfilling various regional and international obligations including the Sustainable Development Goals (SDGs) and Africa Union Agenda 2063.

The sub-sector aims at developing policies and implementing programs for sustained and balanced social and cultural activities as well as economic development of the county with emphasis on empowerment of vulnerable and marginalized groups as well as raising their productivity. It further ensures access, equity and equality in every aspect of development.

The county has over time invested in measures aimed at improving the living conditions of the poor and the vulnerable members in the community. These efforts are key in alleviating poverty and reducing the dependency levels within the community while enhancing self-reliance and economic empowerment. In the county, the dependency rate reduced from a high of 96.1 per cent in 2013 to 78.5 per cent in 2019. The uptake of the social protection funds and the cash transfer programme had greatly improved with a cumulative disbursement of over Kshs 3.3 Billion since 2016. This has played a critical role in empowering the vulnerable community members.

Sub Sector Objectives

The planned objectives for the sector include reduced dependency among the elderly and the vulnerable; and economically empower the vulnerable to participate in economic activities.

Strategic interventions

Strategic Intervention 1: Upscaling County Social Protection and empowerment of vulnerable groups:

The sub-sector will focus on economically transforming vulnerable groups in the society by implementing sustainable programmes such as elderly support, PWD support and OVC support. The county will mainstream cross-cutting issues in the county programming and implementation, which will result in the empowerment of the vulnerable groups.

Strategic Intervention 2: Culture Preservation, Music and Art Development

Science and technology play a central role in accelerating development, culture and arts can contribute to growth through the creation of employment opportunities for youth, enhancing creativity and innovation and increasing competitiveness in sectors such as tourism. The county will implement measures to support the culture, music and art sector in the county by providing an enabling policy environment and support to artists.

4.8 Energy Infrastructure and ICT Sector

The Energy, Infrastructure and ICT (EII) Sector plays a significant role as a driver and an enabler for growth, providing the physical networks and services upon which the economy depends for the movement of goods and services and sustained development of the economy. The Sector aims at providing efficient, affordable and reliable infrastructure which is critical for socio-economic transformation underscored in the second CIDP (2018-2022) and the Makueni County Vision 2025.

In 2013, the county had poor roads network with gravel and earth roads accounting for 555.2 Kms and 2,194.6 Kms respectively. Most of the roads were impassable during the rainy season and the county invested heavily in machinery to ensure sufficient county own machinery to make it easy to upgrade all the roads to weather.

Sector Objectives

The sector objectives for the period is to improve access to markets through efficient road network and communication; enhance access to reliable energy; and improve urban and market infrastructure.

Strategic interventions

Strategic Intervention 1: Enhanced County Road Infrastructure and Access to Energy

Infrastructure enhances competitiveness of an economy and generates a business environment that is conducive to agro-industrial growth and development. The government will; grade 1,700 Kms of road; gravel 500km; develop 1,500 drainage structures; construct 35 drifts; install 1500m of culverts; construct 500 water drains; design and develop non-motorized transport systems for all groups; construct a bus park and a lorry park; construct and develop a storm water management and drainage systems; Train youths on Appropriate building and Material Technologies; manage devolved County offices and develop energy plan; install 60 flood lights and 90 street lights in various markets in the county and electrification of various villages in collaboration with KPLC and REREC.

4.9 Public Administration and International Relations

The Sector is a fundamental pillar of the Makueni county economy. It provides overall county leadership, oversight and policy direction; prudent public finance management for transparency and accountability; coordinates sectoral development planning; supports coordination of Government activities; ensures effective and efficient Public Service; youth empowerment; promotes liaison relations, wage bill management as well as the development of a sound legislative and regulatory framework.

The overall budget absorption rate for the sector in 2019/20 was 81.48 per cent compared to 93.77 per cent in the FY 2018/19. Within the Public administration sector, the Office of the Governor recorded the highest budget absorption rate of 99.4 per cent followed by the Office of the County Secretary. The department of finance and planning had the lowest absorption rate of 57.5 per cent.

Sector Objectives

To strengthen administration of public services at all levels of Government to enhance effective and efficient implementation of programmes as provided under the CIDP 2018-2022 and the County Vision 2025.

Strategic interventions

Strategic Intervention Area 1: Coordination of Government Services

The government has adopted a holistic approach in the conceptualization of programmes to have harmony, teamwork, lack of duplication and efficiency delivery of government services. The administrative capacity of the county sectors will be strengthened to entrench multi-sectoral approaches promote sectoral integration in programme implementation.

Strategic Intervention Area 2: Automation of Government Services

The county government is committed to continually enhance the services to serve citizens better. The experience from COVID-19 pandemic has provided the impetus to automate government services and reap the benefits, which include lower operating costs and fewer

wastages in the service provision mechanism through increasing wage bill. The automation will be rolled out in two phases; automating and digitizing county internal processes and creating online processes for citizens to access services. The roll-out of the automation process will integrate the small-scale automation rolled out as well as the ISO 9001:2015 Quality Management System.

Strategic Intervention Area 3: Resource Mobilization, Financial Management and Compliance

The government will increase resource mobilization through;

- a. **Optimizing on the valuation roll:** The County will be able to enforce for payment of Contribution In Lieu Of Rates (CILOR) for ratable national government land in the County.
- b. **Intensifying supervision and collection efforts; this will be done through** Establishment of inspectorate and compliance unit which will be based at directorate level. The unit will comprise of independent enforcement officers to supervise and perform random checks on revenue collection. This will also include the establishment of an oversight unit through the administration structures and monitoring & evaluation at sub-county levels
- c. **Implementing fully the revenue enhancement strategy:** The strategy is geared towards sealing gaps that have been bedeviling revenue collection in the past and enhance collections.
- d. **Establishing a prosecution system:** Revenue collection will be boosted with a prosecution system that will enhance compliance.
- e. **Enhancing change management:** Continued investment in training of staff to promote change management and integrity. Improved knowledge on Know Your Customer (KYC) will be developed to ensure staff enjoy the interaction with customers in the process of revenue collection.
- f. **Exploiting the potential of the county's natural resources:** The government will also look into possibilities of generating more revenue from the counties natural resources including minerals, sand and soil. Through collaboration with the mining sub-sector, the county will enhance revenue collection from resource exploitation structures.
- g. **Reviewing all revenue potential assessment for all streams (structured and unstructured):** This will inform on rates imposition charges to be effected in the Finance Act.
- h. **Fully automating revenue collection and establish one-stop-shop payment and approval for all licenses:** This is expected to ensure efficient revenue collection as well as cutting out pilferages and leakages in the revenue collection structures. Automation of all streams is expected to tremendously improve Own Source Revenues in the county.
- i. **Establishing a revenue education week** and champions within all levels of the devolved administration

- j. **Interlinking the departments in revenue collection.** This will be implemented through the establishment of a committee at the cabinet and directors level involving all departments who collect revenue.
- k. **Establishing a rewarding system to individuals,** markets and wards who have been consistently paying their revenue within set deadlines in each calendar year. This will be through initiatives like special funding for programs and projects in specific areas.

4.10 Public Participation and Involvement of Stakeholders

Public participation in governance processes has been mandated by the constitution of Kenya and the County Government Act 2012. For effective participation, the public, communities and organizations to be affected or interested by a decision should not only have a right to be consulted and involved in the decision making process; rather mechanisms need to be put in place for their effective involvement in contributing towards the overall goal of development. There should also have equitable access to information to enable meaningful participation with all their views taken in to considerations and an appropriate feedback mechanisms established. All this is geared toward better understanding of community concerns, ensure they are reflected in county policies, practices and programmes. Additionally, it provides for the equitable provision of services for all its constituents. Public participation also helps maintain vital democracy and leads to better solutions with greater community buy-in.

The Government has made tremendous progress in involving the community in decision making. As we mark the 8th year on implementation of County Vision 2025 and 4th year of second CIDP 2018-2022, we take stock of the successes, opportunities and challenges in participatory budgeting.

In the FY 2021/22 participatory budgeting process, the county managed to undertake the following:

- 1) Community feedback on Annual Progress Report of the FY 2020/21
- 2) Conducted 60 child participation forums that promoted the children's voice in the CFSO and hence the Budget 2021/22
- 3) Conducted PwD participation Forums as affirmative action
- 4) Review of projects status and identification of problematic and stalled projects at the 60 sub wards as a basis for consideration in 2021/22 CFSP
- 5) Conducted a sample of 90 Cluster Community action plans that sought to review the issues and concerns of the communities as identified in their own plans
- 6) Held a county people's forum that harmonized the community issues, needs, priorities undertaken above into the raw data guiding the development of the CFSP 2021/22
 - Of importance to highlight concerning the county people's forum was the opportunity for community representatives (development committees and community resource persons tying together the issues from the grassroots into a unified proposal that validated their economic livelihoods highlights in the 3643 villages and harmonized in the 377 clusters development units.
 - This validation was consistent with the CIDP 2018-22 Strategies and the ADP 2021/22

- The assistance of the sector working groups enabled the defining of the community proposals into preliminary programs for implementation in FY 2021/22.

The tail end of the participatory budgeting process shall be actualized through:

- Building up on the CFSP ceilings and strategic proposals
- Receiving of cluster CAPS project proposals from the 377 clusters of the county through cluster development forums
- Reviewing of the individual cluster proposals: The communities at the village and cluster levels have mapped all livelihoods in their clusters and will be seeking to ensure optimal utilization of the opportunities within the locality aligned to the county agro ecological and economic zoning.
- Enhancing sub ward participation for the onward mediation of the ward development project proposals
- Validation, appraisal and finalization of the formulation of the budget 2021/22.

In furtherance to this, the implementation of the previous budgets has seen tremendous improvements physical infrastructure around the wards. Despite these interventions and gains attained, we have not realized the aspirations of the CIDP theme increased household income for sustainable livelihoods. It is in this perspective; the development framework for FY 2021/22 Budget has been formulated towards stimulating the economy at the cluster levels and hence overall economic growth. This is consistent with the emerging trend where communities are prioritizing interventions geared towards enhancing their economic wellbeing. The agenda for development for FY 2021/22 will be “community driven development for enhanced prosperity”. This is expected to transform the households in Makueni County towards them being economically self-reliant.

To ensure we realize the agenda for economic transformation, engagement with the citizenry in the budget process will revolve around; economic empowerment – Primary value chain; incomplete/ stalled projects and equitability in resource distribution / addressing marginalization amongst the clusters.

5 STRATEGIC DEVELOPMENT DIRECTION/POLICY THRUST FOR FY 2021/22 AND RESOURCE FRAMEWORK

Whilst consolidating earlier gains, the Medium-Term Budget for 2021/22 – 2023/24 will primarily focus on priority programs aimed at economic recovery and achieving the socio economic transformation agenda envisaged under County Integrated Development Plan 2018-2022. The policy thrust for the FY 2021-2022 has been highly influenced by the emergence of covid-19 pandemic and thrives to achieve the long term overall objective of ‘*increased household income for sustainable livelihoods*’ while at the same time enable residents of the county recover and build resilience from effects of the pandemic. The priorities notwithstanding, the Government will strive to ensure that public spending leads to high quality outcomes within a sustainable and affordable framework.

In this regard, spending will be directed towards the most critical needs of the county with the aim of achieving quality outputs and outcomes with existing or lower level of resources.

5.1 Linkage with the Long-Term Theme ‘*Increased Household Income For Sustainable Livelihoods*’

The county is on the recovery path after a disruptive year with emergence of covid-19 pandemic, planned priorities are geared towards increasing household incomes and supporting households, and entities bounce back from the pandemic. It therefore takes into consideration the needs of the community in order to get back to the initial development position before the pandemic and rejuvenating local economy to support livelihoods across the county. This strategy recognizes the need to keep businesses afloat as well as ensuring households are food secure and meaningful income is earned from activities done by the community. Deliberate measures to ensure money and means of creating money flows to the unemployed through participation in government activities will be given priority. The specific guiding issues in realization of the goal include;

a. Community Led Development

The county will prioritize and emphasize on community led development with an intention to guide communities in defining their local development and increase sustainability of local solutions. Through community action plans, communities will be engaged in long-term development planning directly by being able to plan and synchronize economic development in their localities with the counties medium and long term plans. Local solutions to community problems will be encouraged for incorporation into programmes to ensure a sustainable interaction between community and technical solutions. Communities will also be allowed to manage procurement and sourcing of locally available raw materials so that local economies are rejuvenated and recover from the recent economic downturn occasioned by covid-19 pandemic through the public procurement Act. This approach will also increase chances of reaching to communities that would otherwise be hard to reach through normal government programming.

b. Equitable Development Across Communities

A key principle in ensuring that all community units are treated fairly in distribution of government goods and services through a pareto-optimal sharing of resources. The balancing between limited resources against the competing needs will be guided by this principle to ensure that most deserving communities benefit paying attention to previous investment by the government. Priorities for funding will be directed to marginalized areas without causing undue disadvantage to communities that have been overfunded over the years. This will also apply to the placing of flagships in FY 2021/22. There will be specific interventions in Sub Counties without flagship projects.

c. Designing Labor Intensive Investments

All county programmes and projects will be designed with an outward look on ensuring communities are employed through government initiatives. These initiatives will adopt less machine-operated solutions to labour-intensive programmes that will bring on board larger rural populations to participate in development and make earnings from the same. Supply of goods and services in project sites will also be community driven except for project components that can't be sourced locally due to the existing technologies.

d. Universal Water Coverage

The county seeks to ensure water sufficiency across the county by increasing access to safe and clean water. Availability of water has been a major driver of household incomes through small-scale irrigation in households and its accessibility has been to reduce time wastage looking for water and the ability to invest time in productive activities.

Emergence of Covid-19 pandemic has disrupted economic activities across the county with loss of livelihoods experienced in various sectors. In ensuring that the county bounces from the slowed economic growth, the county prepared a socio-economic recovery strategy to be implemented alongside the county priorities for the FY 2021/2022.

5.2 Planned Priorities in The Thematic Areas

Thematic area 1: Community Economic Empowerment - Product Development and Processing

The county will invest in key value chains to increase production, value addition and marketing. The value chains include Horticulture, Integrated grain and pulses, Dairy development, poultry, integrated meat production, honey development and fisheries development. Value addition in the various value chains will be prioritised to ensure the county industrializes in the long-term. Institutional capacity building will be enhanced to promote management of cooperatives sustainably.

The county will also invest in enabling infrastructure including road coverage to increase access to markets. Micro, Small, and Medium Enterprises will be revitalized and supported through COVID-19 relief funds to keep them afloat during the recovery period. County residents will be guarded from unfair trade practices through consumer protection programmes.

Thematic Area 2: Water Resource Management

The county will invest in the water sector to achieve universal water coverage through; water harvesting and distribution; improving water governance structures; improved water safety and sanitation; and environmental conservation and water catchment protection.

Thematic Area 3: Lands and Urban Development

The county will secure investments by residents through land survey and titling across the county and market centres. Infrastructural development in the major towns will be improved to promote trade activities and urbanization.

Thematic Area 4: Universal Health Coverage

The county will enhance universal health coverage through; promoting access to primary healthcare; enhancing preventive measure on non-communicable and infectious diseases; strengthen supply of medical commodities and technologies; improve access to specialized healthcare services; improve health infrastructure; and adoption of end-to-end hospital automation.

Thematic Area 5: Institutional Strengthening and Capacity Development

The government will strengthen its systems for service delivery through adoption of quality management systems that promote efficiency in service delivery. The government will also automate its services to ease service delivery. Strategies to increase resource mobilization and promote compliance to financial management and compliance.

Thematic Area 6: Socio-economic Development

The planned priorities in the thematic area include; Upscaling County Social Protection and empowerment of vulnerable groups; Culture Preservation, Music and Art Development; Improved sporting; ECDE Development; and CTTI Reengineering and Revitalization to provide free CTTI education

5.3 Integrated Community Level Interventions to Accelerate Recovery

The government will accelerate recovery efforts by using strategies that will reach the local populations as outlined in the county public participation model and ensuring the clusters become centres of local development and recovery. To achieve this will;

- a. Use the existing 377 Village Clusters (approx. 1,000 HHs) as the basis for participatory budgeting aligned to the County Public Participation framework.
- b. Each Village Cluster has prepared a Village Cluster Action Plan which highlights its development roadmap.
- c. Each village cluster will be funded Kshs 1 Million for community level interventions aligned to SDGs/employment guarantee with objective of lifting people out of poverty (*Kshs 377 Million*) equivalent to 13% of total development budget/ 4% of total county budget.

The interventions will focus on the following key areas;

- i. **Agriculture and Livelihoods:** Community based interventions on the livelihoods of the various clusters that will have a direct injection effect to the local economy. This will directly positively affect household income thus promoting demand for goods and services as well production.
- ii. **Water and Sanitation:** Improving access to safe water and labor based civil works in the cluster. This will utilize both community water volunteers and community members for unskilled activities, which will promote short-term employment at the cluster.
- iii. **Light Road Infrastructure:** Utilization of human labor in undertaking roadworks in opening up new roads and bush clearing has been utilized in many occasions by government as a way of offering employment to local populations. The county will utilize local populations in undertaking manual roadworks and bush clearing to create employment and increase household incomes through earnings made.
- iv. **Environment Conservation:** the community will be engaged in environmental conservation activities designed to increase community's resilience in dealing with climate change. The interventions will benefit the community through earnings through labor-based activities while promoting environmental conservation and sustainability.

6 RESOURCE ENVELOPE FOR THE FY 2021/22 – 2023/24 MTEF

6.1 Revenue allocation to county Governments

The National Government ordinary revenue performance over the years has been underperforming resulting in revenue shortfalls that has necessitated the need for implementation of austerity. The budgetary allocations to the three arms of Government including sharable revenues to County Governments is summarized in **Table5**.

Table 5; National Government Budget and County allocation – FY 2020/21 – FY 2023/24;

	FY 2020/21 Budget	FY 2021/22 projection	FY 2022/23 projection	FY 2023/24 projection
National Government	1,871,648.00	1,950,377.70	2,047,987.20	2,171,405.90
Executive	1,816,342.20	1,894,844.90	1,989,844.90	2,112,557.90
Parliament	37,306.00	37,882.70	38,535.70	39,206.70
Judiciary	17,999.80	17,918.30	19,006.70	19,640.50
Consolidated Fund services	586,468.60	697,623.50	796,892.90	863,577.00
County Government	316,500.00	370,000.00	370,000.00	370,000.00
TotalKshs	2,774,616.60	3,018,001.20	3,214,880.10	3,404,982.90

%age share in the Total Allocation

National Government	67.5%	64.6%	63.7%	63.8%
Executive	65.5%	62.8%	61.9%	62.0%
Parliament	1.3%	1.3%	1.2%	1.2%
Judiciary	0.6%	0.6%	0.6%	0.6%
Consolidated Fund services	21.1%	23.1%	24.8%	25.4%
County Government	11.4%	12.3%	11.5%	10.9%

In September 2020, the Parliament approved the third basis for allocation of the share of national revenue among the County Governments. The Division of Revenue Bill (DoRB), 2021 proposes to allocate to County Governments Ksh. 370 billion as their equitable revenue share, equivalent to a growth of Ksh 53.5 billion (or 16.9 percent) against FY 2020/21. The third basis formula takes into account the following; (i) Population (18%); (ii) Health Index (17%); (iii) Agriculture Index (10%); (iii) Urban Index (5%); (iv) Poverty Index (14%); (v) Land Area Index (8%); (vi) Roads Index (8%), and; (vii) Basic Share index (20%).

The increase in county allocation has been brought about by;

- a. adjusting the Counties' FY 2020/21 allocation (i.e., Ksh. 316.5 billion) by Ksh 36.1 billion or 11.4 percent. This growth is derived from anticipated improvement in revenues raised nationally in FY 2021/22 when the effects of Covid-19 pandemic are expected to ease. and,
- b. converting four existing conditional grants to County Governments into unconditional grants, and allocating the respective amounts totalling Ksh. 17.4 billion towards the Counties' FY 2021/22 equitable revenue share. The four conditional allocations are:

Road Maintenance Levy Fund (RMLF); the level-5 hospital grant; the compensation for user fees foregone; and, the grant funding rehabilitation of village polytechnics.

With the conversion of the conditional allocations, County Governments will be at liberty to budget and prioritize allocation of resources without added conditions.

Table 6; Allocation of revenues to county Governments – FY 2017/18 – 2021/22

	2017/18	2018/19	2019/20	2020/21	2021/22
Baseline (i.e. allocation in the previous FY)	280,300.00	302,000.00	314,000.00	316,500.00	316,500.00
1. Adjustment for revenue growth	21,700.00	12,000.00	2,500.00		36,100.00
Conversion for conditional allocation Grants for Equitable share (RMLF, Level 5 Hospitals, Compensation for user fees foregone and rehabilitation of youth polytechnics)					17,400.00
computed equitable revenue allocation	302,000.00	314,000.00	316,500.00	316,500.00	370,000.00

Other allocations

Leasing medical Equipment	4500	9400	7000	6205	7205
Supplement for construction of county headquarters	605	605	300	300	332
Allocations from loans and grants	12541.4	33241.9	39089.9	30204.3	32344
Sub total other allocations	17646.4	43246.9	46389.9	36709.3	39881
Total Allocation to counties	319,646.40	357,246.90	362,889.90	353,209.30	409,881.00

The total allocation to counties in FY 2021/22 has increased by 16 Percent from 353Bn in FY 2020/21 to Kshs 409Bn in FY 2021/22.

6.2 Resource Envelope

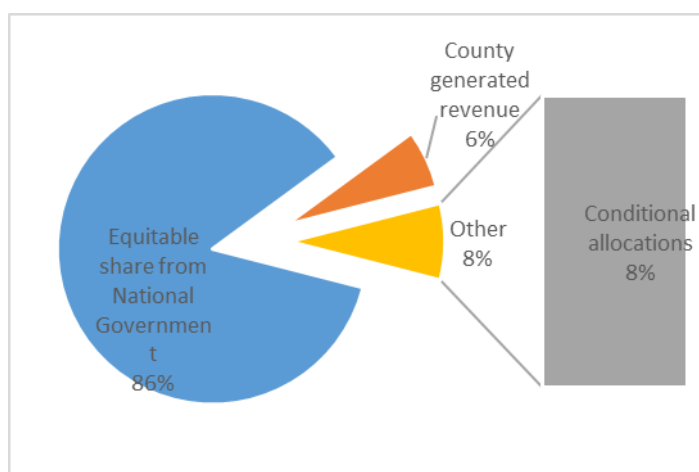
In the FY 2021/22 the county targets to mobilise Kshs 9,461,295,153.00 a reduction of Kshs 246M from Kshs 9,707,192,437.00 (3 percent) in the FY 2020/21 Budget. The reduction has been occasioned by the reduction in the projected Own Source Revenue collections based on the past performance trends.

Table 7; Resource envelope – FY 2021/22

Resource Envelope	Amount (Kshs)
Equitable share from National Government	8,132,783,562.00
Conditional allocations	
Conditional Allocation for Leasing of Medical Equipment	153,297,872.00
Conditional Allocation - other loans & grants	600,213,719.00
Sub Total Conditional Allocations	753,511,591.00
Total Revenue allocation from national government	8,886,295,153.00
County generated revenue	575,000,000.00
Total 2021/22 Resource Basket	9,461,295,153.00
Expenditure	

Resource Envelope	Amount (Kshs)
Recurrent Expenditure	6,572,440,779.34
Personnel Emoluments	4,540,056,799.43
Operation and Maintenance	2,032,383,979.91
Development Expenditure	
Conditional allocation, loans and grants	753,511,591.00
Other development	2,135,342,782.66
Total Development	2,888,854,373.66
Total Expenditure	9,461,295,153.00
Recurrent Index	69%
Development Index	31%

Source county Treasury



The FY 2021/22 will be funded from three main sources; Equitable share – 86 Percent, conditional allocations, loans and grants 8 percent and county generated revenues 6 Percent

Figure 6; FY 2021/22 projected revenues composition

In the medium term, the revenues are projected to increase to Kshs 9,917,783,562.00 as the county enhances its external resource mobilisation targeting the PPPs and other development partners.

Table 8; Projected Revenue Baseline Ceilings for the 2021/22 – 2023/24 MTEF Period (‘000,000)

Revenues	FY 2019/20 - Actuals	FY 2020/21 - Original	FY 2021/22 projection	FY 2022/23 Projection	FY 2023/24 Projection
Equitable share from National Government	7,406,100,000.00	7,464,930,000.00	8,132,783,562.00	8,132,783,562.00	8,132,783,562.00
County generated revenue	465,939,455.75	1,093,000,000.00	575,000,000.00	835,000,000.00	885,000,000.00
Conditional allocations	289,996,120.50	556,437,040.00	753,511,591.00	550,000,000.00	550,000,000.00
Loans and Grants	800,094,293.10	592,825,397.00	-	-	-
PPPS & other Development partners	-	-	-	250,000,000.00	350,000,000.00
Total	8,962,129,869.35	9,707,192,437.00	9,461,295,153.00	9,767,783,562.00	9,917,783,562.00

Source: County Treasury

6.3 Budgetary Allocations for the FY 2021/22

The budgetary allocations to the County Assembly and the County Executive are summarized as below.

Table 9; Budgetary Allocations to County Assembly and County Executive

Arms of County Government	2020/21 Original Printed Estimates	2021/22 ceilings - Recurrent	2021/22 Development ceilings	Total budget ceilings
County Assembly	753,984,829.00	723,815,992.96	30,000,000.00	753,815,992.96
County Executive	8,953,207,608.00	5,848,624,786.38	2,858,854,373.66	8,707,479,160.04
Total	9,707,192,437.00	6,572,440,779.34	2,888,854,373.66	9,461,295,153.00
% of Total Budget		69.47%	30.53%	

Source: County Treasury

The development ratio is expected to be 30.5 per cent, which conforms to the PFMA 2012 requirements.

Table 10; FY 2019/20 – FY 2023/24- Budget by economic classification

Economic Classification	FY 2019/20 Original Budget	FY 2020/21 Original Budget	FY 2021/22 Projected Ceilings	FY 2022/23 Projected Ceilings	FY 2023/24 Projected Ceilings
Salaries	3,789,811,569.17	4,061,490,423.27	4,540,056,799.43	4,414,564,944.43	4,547,001,892.77
Operation & Maintenance	2,195,980,243.78	2,448,329,904.37	2,032,383,979.91	2,095,980,243.78	2,195,980,243.78
Recurrent	5,985,791,812.95	6,509,820,327.64	6,572,440,779.34	6,510,545,188.22	6,742,982,136.55
Development	3,300,525,449.05	3,197,372,109.36	2,888,854,373.66	3,257,238,373.78	3,174,801,425.45
Total Budget	9,286,317,262.00	9,707,192,437.00	9,461,295,153.00	9,767,783,562.00	9,917,783,562.00
Development Index	35.54%	32.94%	30.53%	33.35%	32.01%
Personnel Emoluments	40.81%	41.84%	47.99%	45.20%	45.85%

Source; County Treasury

6.3.2 Recurrent expenditures

The recurrent expenditure in FY 2021/22 is projected to be Kshs 6,572,440,779.34, which is 69.5 per cent of the total expenditures. This is composed of Kshs 4,540,056,799.43 for Salaries and Kshs. 2,032,383,979.91 for Operations and Maintenance. The Operation and Maintenance Costs expenditures has reduced by 17 per cent from the original FY 2020/21 O&M Budget owing to the reduction in available resources amidst mandatory increment of basic pay to employees, gratuity payment for administrators, CTTI staff, ECDE teachers, health workers and the increase in pay for health workers as per the return to work formula signed in January 2021. The projected salaries ratio stands at 47.9 Per cent. The County Government will endeavour to maintain the ratio at sustainable levels at the same time ensuring efficient service delivery.

6.3.3 Development Expenditures

The FY 2021/22 ceiling for development expenditures amounts to Kshs 2,888,854,373.66 which is 30.5 per cent of the total budget.

6.4 Deficit Financing Policy

Going forward into the medium term, the Government will continue with its expenditure prioritization policy with a view to achieving the transformative development agenda which is anchored on provision of core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies, creation of employment opportunities and improving the general welfare of the people

Section 140 of the PFM, Act 2012 authorizes a County Executive Committee Member for finance to borrow on behalf of the County Government only if the terms and conditions for the loan are set out in writing and are in accordance to Article 212 of the Constitution and Sections 58 and 142 of the PFM, Act 2012 among other conditions.

In the year 2020, Makueni County undertook a rating intended to assess the county capacity to meet its financial commitments. This was aimed at assisting the County Government access financing through capital market for public infrastructure development and service delivery. The credit rating initiative was conducted by Global Credit Rating (GCR) on behalf of the National Treasury, World Bank and Commission on Revenue Allocation (CRA).

The county received an impressive BBB rating for long term loans and a much stronger A3 rating for short term loans, meaning the County is stable enough to repay loans both locally and externally. The ratings reflect the County Government's stable financial profile underpinned by the consistent transfers from National Government, as well as other ongoing operational and institutional support from National Government and the initiatives being implemented to enhance own source revenues.

Pursuant to PFM regulations 177(2) County Governments are authorised to borrow within and outside Kenya such sums of money in such amount and on such terms and conditions as to interest, repayment, disbursement or otherwise as the County Executive Committee Member may think fit, in any of the following ways—

- (a) By issuing County Treasury bonds;
- (b) By bank overdraft facility from the Central Bank of Kenya; and
- (c) By any other loan or credit evidenced by instruments in writing.

Over the medium term, Makueni County is considering raising debt to finance development activity to finance the Makueni Vision 2025. The borrowing will be limited to the maximum of 20% of the prior year's audited revenue in line with the PFM Act.

According to the GCR report, Makueni qualifies for loans below Kshs 2Billion, however, based on the audited revenues for FY 2019/20, Makueni County can qualify for a loan to a maximum of Kshs 1,792,425,973.87. Despite, this, the County will not be seeking for long term loans to fund County Government programs in the medium term, rather will be pursuing

short term loans to manage the County cash flow. This has been occasioned by the inconsistent transfers of equitable share to the County Government affecting service delivery and payment of key obligations.

In seeking this loans, the County Government will be guided by PFM Act Section 142 which authorizes borrowing for cash management purposes. The borrowing shall not exceed five percent of the most recent audited revenues of the entity and will be repaid within a year from the date on which it was borrowed.

6.5 Fiscal Responsibility Principles

The PFM mandates counties to ensure a minimum of 30% to development. The County is consistent with the requirements of the law, and has persistently ensured this allocation is over 30%. In the FY 2021/22, the projected development budget stands at 30.5%.

Regulation 25(1) (b) of the PFM (County Governments) Regulations, 2015 requires that County Governments' wage bill shall not exceed 35 percent of their total revenue. Makueni County has been grappling with high wage bill resulting from mandatory wage increments by staff and SRC.

In the FY 2021/22, the wage bill is projected to be 47.9% owing to the implementation of the return to work formula of the nurses, gratuity payment for ECDE teachers, CTTI tutors, Village administrators and water officers. Despite, the high rations, Departments are still seeking for further recruitments to address critical skills gaps. This include; Department of Transport & Infrastructure, Finance & Planning, Trade Industry & Cooperatives, Agriculture, livestock and Fisheries, Devolution and Public Service, Lands and Urban Planning and Education & ICT. The Government will aim at maintaining the ration at sustainable levels through freezing new employments and increasing the resource base at the same time ensuring efficient service delivery.

6.6 Allocation Baseline Ceilings

The baseline estimates reflect the current departmental spending levels in sector programmes. In the recurrent expenditure category, salaries expenditures take first charge.

Development expenditures have been allocated out on the basis of the following;

- *On-going projects:* emphasis was given to completion of on-going capital projects. This ensures all initiated projects (flagships and ward based projects) meet the initially intended objectives and are sustainable.
- *matching grant:* priority was also given to adequate allocations for donor counterpart funds which is the portion that the Government must finance in support of the projects financed by development partners;
- *Proposed Reallocated projects;* This will address the projected revenue shortfall of Kshs 300M in the FY 2020/21.
- *Strategic policy interventions:* priority was given to policy interventions aligned to the objectives set in the ADP, CBROP and CFSP and the interventions as proposed in the Post-Covid 19 Recovery; Consideration was further given to interventions supporting Post-Covid 19 recovery

Table 11; FY 2021/22 – 2023/24 Medium Term Sector ceilings (In millions)

Sector	Code	Approved Budget 20/21	CFSP Projection			% age share in sector allocation			
			2021/22 Ceiling	2022/23	2023/24	2020/21	2021/22	2022/23	2023/24
Agriculture & Rural Development, Lands	Sub total	1,291.97	788.25	895.35	968.51	11%	8%	9%	10%
	Rec Gross	384.64	373.11	375.35	399.35	3%	4%	4%	4%
	Dev Gross	907.33	415.14	520.00	569.16	8%	4%	5%	6%
Trade, Tourism & industrial development	Sub total	154.36	102.86	155.44	158.17	1%	1%	2%	2%
	Rec Gross	48.14	49.36	55.44	58.17	0%	1%	1%	1%
	Dev Gross	106.23	53.50	100.00	100.00	1%	1%	1%	1%
Water and Natural Resources ,	Sub total	1,245.66	647.71	747.47	730.20	11%	7%	8%	7%
	Rec Gross	216.66	203.46	198.52	205.34	2%	2%	2%	2%
	Dev Gross	1,028.99	444.25	548.95	524.86	9%	5%	6%	5%
Health Services	Sub total	3,780.43	3,578.47	3,691.52	3,777.53	32%	38%	38%	38%
	Rec Gross	2,965.00	3,092.17	3,141.52	3,227.53	25%	33%	32%	33%
	Dev Gross	815.43	486.30	550.00	550.00	7%	5%	6%	6%
Education, Social Protection, Culture and Recreation	Sub total	892.35	766.64	629.43	637.97	8%	8%	6%	6%
	Rec Gross	498.48	532.54	369.43	387.97	4%	6%	4%	4%
	Dev Gross	393.87	234.10	260.00	250.00	3%	2%	3%	3%
Energy, Infrastructure, ICT, Urban Development & Housing	Sub total	1,213.46	716.02	901.94	861.80	10%	8%	9%	9%
	Rec Gross	237.84	159.72	153.66	161.02	2%	2%	2%	2%
	Dev Gross	975.61	556.30	748.28	700.78	8%	6%	8%	7%
Public Administration	Sub total	3,094.71	2,861.35	2,746.62	2,783.60	27%	30%	28%	28%
	Rec Gross	2,324.10	2,162.08	2,216.62	2,303.60	20%	23%	23%	23%
	Dev Gross	770.61	699.26	530.00	480.00	7%	7%	5%	5%
Total Budget	Grand Total	11,672.94	9,461.30	9,767.78	9,917.78	100%	100%	100%	100%
	Rec Gross	6,674.86	6,572.44	6,510.55	6,742.98	57%	69%	67%	68%
	Dev Gross	4,998.07	2,888.85	3,257.24	3,174.80	43%	31%	33%	32%

7 RISK AND RISK MITIGATION FRAMEWORK FOR FY 2021/22 – FY 2023/24

MEDIUM TERM

This chapter elaborates anticipated risks that are bound to affect implementation of programmes and project in FY 2021/22. The risk management framework is critical in ensuring that effective processes are in place for identifying current and emerging risks and establishing policies, practices and financial risk protection instruments to cushion the county against budget disturbances emanating from the need to address the unforeseen fiscal conditions.

Table 12; Risks and mitigation measures – FY 2021/22

No	Risk	Impact	Mitigation Measures
1.	COVID-19 Pandemic	The Covid-19 pandemic has resulted in major economic and social disruptions which have been felt both at the national and County level. Majorly the main affected sectors are health, agriculture, livelihoods, Small, and Medium Enterprises. The COVID has negatively affected the county economic performance which is expected to spill over to the FY 2021/22 which may result to depressed revenue performance both at the County and National Government. This may result to inconsistent transfers of equitable share as experienced in FY 2020/21, and a reduction of the projected revenues for FY 2021/22 hence affecting service delivery.	The county has will implement the post COVID re-engineering strategy which will stimulate the local economy to enhance resilience as well as the adaptive capacity for the affected sectors. The Strategy has five pillars for re-engineering and recovery of the County economy namely; (i) boosting private sector; (ii) strengthening ICT capacity; (iii) human capital development; (iv) policy, legislative and institutional reforms; and, (v) strengthening the County Governments preparedness and response to pandemic and disasters
2.	Late disbursement of funds by the National Treasury.	This leads to an increase in operating costs as well as the accumulation of pending bills. This further affects service delivery, budget absorption and delays in submission of statutory deductions.	The county will be seeking for short term loans to manage the cash flow.
3.	Changes in Macroeconomic Assumptions	Due to the uncertainties in the economy since the onset of the pandemic, the unexpected	The county will data driven modeling of adequate provision for macro-economic variables in

No	Risk	Impact	Mitigation Measures
		changes in these outcomes may pose risks to both revenue and expenditure projected.	force to alleviate effects of unprecedented circumstances.
4.	Capacity risks (technical and absorptive capacity)	The new approach in delivering development will face challenge because of the technical and absorptive capacity of the departments in delivering the development aspirations.	The county will undertake mindset and attitude change to align delivery on the whole of government approach and cross-sectoral linkages. This will mean realignment and rationalization of staff
5.	Political risks	As we build up to the 2022 elections, politics may completely derail the programmes and projects in the budget. This will delay delivery in the medium term.	To mitigate this, the county government will reach out to the political leadership to ensure stability. The County executive will continuously foster an harmonious working relationship with the legislative arm of the government for effective and coordinated service delivery
6.	Climate change and natural disasters	The rapid change in climate, global warming and occurrence of calamities, may pose serious threats to the county development goals. Climate developments will directly affect the fiscal position by lowering tax revenues and increasing public spending to mitigate the resulting natural disasters .In particular, climate change results to substantial reallocation of resources towards mitigation, adaptation to climate change and addressing emergence of natural disasters.	The county will emphasis on climate change adaptation and mitigation measures that will exploit green economic activities to put the economy on a green and climate resilient recovery build back path. In addition, measures that will drive sustainability while reducing drivers of climate change and environmentally damaging activities. Over the medium term, the Government will also prioritize the implementation of environmental conservation programs including tree planting and afforestation, water harvesting, smart agriculture, investments in green energy (micro-hydro, solar, biomass) construction of mini dams, water pans and rehabilitation of existing dams and water pan.
7.	Legal risks.	Litigations and court	Strict adherence to the

No	Risk	Impact	Mitigation Measures
		injunctions derails timely budget execution, increase operation costs and derails achievement of development goals.	provisions of the law and existing legal frameworks
8.	Coordination complexity of sector wide approach	Coordination of cross-sectoral approach can create fear, competition and uncertainty, which limits effective stakeholder involvement and makes consensus building and coordination difficult.	To mitigate this, the county will ensure openness and transparency including the role of all stakeholders involved in the development process. Additionally the County will ensure effective communication and information exchange platform is established.
9.	Technical Risks	Inadequate capacity of both staff and contractors may derail implementation of development projects and programmes	The county will strengthen technical capacities of staff in the design of BoQ to take into consideration technical specifications. The county will continuously train the county staff in their areas of jurisdiction for improved service delivery. In addition, the County Government will enhance the project and programme appraisal to ensure funded projects are sustainable and objective

8 ANNEXTURES

8.1 Departmental Ceilings – FY 2021-22 – 2023/24 Medium Term

No	DEPARTMENT	FY 2020/21 Revised Budget Estimates	FY 2021/22 Recurrent Budget Ceilings	FY 2021/22 Development Budget Ceilings	FY 2021/22 Projected Budget Ceilings	FY 2022/23 Projected Budget Estimates	FY 2023/24 Projected Budget Estimates
1	County Attorney's Office	46,631,942.46	20,603,472.27	-	20,603,472.27	24,044,734.01	25,132,963.04
2	County Public Service Board	69,424,545.14	56,084,055.70	10,000,000.00	66,084,055.70	76,659,150.60	79,823,066.84
3	Devolution, Administration, Youth, PP Development & Public Service	373,028,362.42	307,536,865.95	49,050,000.00	356,586,865.95	344,662,691.98	358,174,126.23
4	County Assembly	193,057,560.63	723,815,992.96	30,000,000.00	753,815,992.96	777,277,165.27	790,395,480.23
5	Office of Governor	13,912,622.46	166,760,026.67	-	166,760,026.67	176,098,028.00	183,830,968.84
6	Office of Deputy Governor	454,100,746.25	13,000,000.00	-	13,000,000.00	13,521,433.41	13,521,433.41
7	County Secretary	904,036,413.73	389,643,585.94	-	389,643,585.94	429,361,911.57	439,872,547.29
8	Finance & Socio Economic Planning	154,362,415.52	484,637,399.38	610,213,719.00	1,094,851,118.38	915,037,572.95	903,189,436.76
9	Agriculture, Irrigation, Livestock & Fisheries development	1,213,456,883.72	269,673,805.35	312,342,782.66	582,016,588.01	638,426,665.35	726,651,105.42
10	Lands, Mining & Urban Development	824,393,223.80	63,436,667.60	80,800,000.00	144,236,667.60	224,595,353.93	209,609,468.81
11	Environment and Climate Change		40,000,000.00	22,000,000.00	62,000,000.00	35,000,000.00	35,000,000.00
12	Trade, Industry, Tourism & Cooperatives	1,120,165,378.47	49,358,471.40	53,500,000.00	102,858,471.40	156,200,279.07	158,952,442.72
13	Gender, Children, Culture & SS	387,934,401.39	74,527,426.50	47,000,000.00	121,527,426.50	151,862,596.85	148,568,474.76
14	Education & ICT	165,794,856.70	458,008,888.93	187,100,000.00	645,108,888.93	538,682,624.68	552,343,103.42
15	Roads, Transport, Works & Energy	726,554,236.92	159,724,474.99	556,300,000.00	716,024,474.99	903,469,281.83	863,374,924.94
16	Sand Authority		51,119,023.25	50,000,000.00	101,119,023.25	26,902,593.95	27,709,671.77
17	Water and Sanitation	1,245,655,911.59	152,338,008.99	394,250,000.00	546,588,008.99	692,803,209.15	673,892,849.43
18	Health Services	3,780,430,207.17	3,092,172,613.48	486,297,872.00	3,578,470,485.48	3,643,178,269.39	3,727,741,498.09
	Sub Totals	11,672,939,708.37	6,572,440,779.34	2,888,854,373.66	9,461,295,153.00	9,767,783,562.00	9,917,783,562.00

8.2 Departmental Ceilings – By Economic Classification.

No	DEPARTMENT	FY 2020/21 Revised Budget Estimates	FY 2021/22 Salary Ceilings	FY 2021/22 O&M Ceilings	FY 2021/22 Recurrent Ceilings	RCR Ratio	FY 2021/22 Development Ceilings	DVP Ratio	FY 2021/22 Projected Budget Ceilings	Total Budget ratio
1	County Attorney's Office	46,631,942.46	4,746,151.67	15,857,320.60	20,603,472.27	0%	-	0%	20,603,472.27	0.2%
2	County Public Service Board	69,424,545.14	34,849,721.92	21,234,333.79	56,084,055.70	1%	10,000,000.00	0.3%	66,084,055.70	0.7%
3	Devolution, Administration, Youth, PP Development & Public Service	373,028,362.42	200,084,205.10	107,452,660.84	307,536,865.95	5%	49,050,000.00	2%	356,586,865.95	3.8%
4	County Assembly	193,057,560.63	416,454,443.12	307,361,549.84	723,815,992.96	11%	30,000,000.00	1%	753,815,992.96	8.0%
5	Office of Governor	13,912,622.46	86,760,026.67	80,000,000.00	166,760,026.67	3%	-	0%	166,760,026.67	1.8%
6	Office of Deputy Governor	454,100,746.25	-	13,000,000.00	13,000,000.00	0%	-	0%	13,000,000.00	0.1%
7	County Secretary	904,036,413.73	108,916,106.25	280,727,479.69	389,643,585.94	6%	-	0%	389,643,585.94	4.1%
8	Finance & Socio Economic Planning	154,362,415.52	234,109,511.57	250,527,887.81	484,637,399.38	7%	610,213,719.00	21%	1,094,851,118.38	11.6%
9	Agriculture, Irrigation, Livestock & Fisheries Dvp	1,213,456,883.72	241,890,006.31	27,783,799.03	269,673,805.35	4%	312,342,782.66	11%	582,016,588.01	6.2%
10	Lands, Mining & Urban Development	824,393,223.80	37,099,811.13	26,336,856.48	63,436,667.60	1%	80,800,000.00	3%	144,236,667.60	1.5%
11	Environment and Climate Change			40,000,000.00	40,000,000.00	1%	22,000,000.00	1%	62,000,000.00	0.7%
12	Trade, Industry, Tourism & Cooperatives	1,120,165,378.47	37,866,336.31	11,492,135.09	49,358,471.40	1%	53,500,000.00	2%	102,858,471.40	1.1%
13	Gender, Children, Culture & SS	387,934,401.39	54,154,854.15	20,372,572.35	74,527,426.50	1%	47,000,000.00	2%	121,527,426.50	1.3%
14	Education & ICT	165,794,856.70	387,651,833.03	70,357,055.90	458,008,888.93	7%	187,100,000.00	6%	645,108,888.93	6.8%
15	Roads, Transport, Works & Energy	726,554,236.92	76,367,419.07	83,357,055.92	159,724,474.99	2%	556,300,000.00	19%	716,024,474.99	7.6%
16	Sand Authority		26,119,023.25	25,000,000.00	51,119,023.25	1%	50,000,000.00	2%	101,119,023.25	1.1%
17	Water and Sanitation	1,245,655,911.59	101,467,503.42	50,870,505.57	152,338,008.99	2%	394,250,000.00	14%	546,588,008.99	5.8%
18	Health Services	3,780,430,207.17	2,491,519,846.48	600,652,767.00	3,092,172,613.48	47%	486,297,872.00	17%	3,578,470,485.48	37.8%
	Sub Totals	11,672,939,708.37	4,540,056,799.43	2,032,383,979.91	6,572,440,779.34		2,888,854,373.66		9,461,295,153.00	

8.3 Departmental Ceilings – By Economic Classification – FY 2021-22 – 2023/24 Medium Term (In Millions)

No	DEPARTMENT	FY 2020/21 Revised Budget Estimates	FY 2021/22 Salary Ceiling	FY 2022/23 Projected Salary Ceiling	FY 2023/24 Projected Salary Ceiling	FY 2021/22 O&M Ceiling	FY 2022/23 Projected O&M Ceiling	FY 2023/24 Projected O&M Ceiling	FY 2021/22 Development Ceiling	FY 2022/23 Projected Development Ceiling	FY 2023/24 Projected Development Ceiling
1	County Attorney's Office	46.63	4.75	4.98	5.13	15.86	19.06	20.00	-	-	-
2	County Public Service Board	69.42	34.85	38.80	39.96	21.23	17.86	19.86	10.00	20.00	20.00
3	Devolution, Administration, Youth, PP Development & Public Service	373.03	200.08	183.71	189.23	107.45	80.95	88.95	49.05	80.00	80.00
4	County Assembly	193.06	416.45	437.28	450.40	307.36	310.00	310.00	30.00	30.00	30.00
5	Office of Governor	13.91	86.76	91.10	93.83	80.00	85.00	90.00	-	-	-
6	Office of Deputy Governor	454.10	-	-	-	13.00	13.52	13.52	-	-	-
7	County Secretary	904.04	108.92	114.36	117.79	280.73	315.00	322.08	-	-	-
8	Finance & Socio Economic Planning	154.36	234.11	245.81	253.19	250.53	269.22	300.00	610.21	400.00	350.00
9	Agriculture, Irrigation, Livestock & Fisheries Dvp	1,213.46	241.89	256.43	264.12	27.78	32.00	43.37	312.34	350.00	419.16
10	Lands, Mining & Urban Development	824.39	37.10	33.60	34.61	26.34	55.99	60.00	80.80	135.00	115.00
11	Environment and Climate Change	-	-	-	-	40.00	-	-	22.00	35.00	35.00
12	Trade, Industry, Tourism & Cooperatives	1,120.17	37.87	39.76	40.95	11.49	16.44	18.00	53.50	100.00	100.00
13	Gender, Children, Culture & SS	387.93	54.15	56.86	58.57	20.37	35.00	40.00	47.00	60.00	50.00
14	Education & ICT	165.79	387.65	288.68	297.34	70.36	50.00	55.00	187.10	200.00	200.00
15	Roads, Transport, Works & Energy	726.55	76.37	80.19	82.59	83.36	75.00	80.00	556.30	748.28	700.78
16	Sand Authority	-	26.12	26.90	27.71	25.00	-	-	50.00	-	-
17	Water and Sanitation	1,245.66	101.47	72.92	75.11	50.87	70.93	73.93	394.25	548.95	524.86
18	Health Services	3,780.43	2,491.52	2,443.18	2,516.47	600.65	650.00	661.27	486.30	550.00	550.00
	Sub Totals	11,672.94	4,540.06	4,414.56	4,547.00	2,032.38	2,095.98	2,195.98	2,888.85	3,257.24	3,174.80

8.4 Key Outcome Indicators – FY 2020/21 – FY 2023/24

KEY OUTCOME	KEY OUTCOME INDICATORS	BASELINE YEAR	BASELINE VALUE	TARGETS			
				2018/19	2019/20 2020/21	2021/22 2022/23	2023/24
SECTOR: AGRICULTURE, LIVESTOCK AND FISHERIES							
Outcome 1: <i>Increased agricultural crop production and productivity</i>	MT of cereals (Maize, Sorghum, Millets) produced annually	2017	169,493	179,921	190,421	209,921	221,921
	Area under Cereals production in hectares	2017	141,049	152,098	162,098	176,098	178,098
	MT of legumes (green grams, cow peas, pigeon peas) produced	2017	207,862	215,543	221,293	238,293	246,293
	Area under Legume production in hectares	2017	225,630	241,593	257,593	285,093	290,093
	MT of vegetables produced annually	2018	175,253	180,000	190,000	209,000	220,000
	Ha under vegetables production for export and local market	2017	1,205	1,255	1,315	1,435	1,500
OUTCOME 2: <i>Increased livestock production</i>	Quantity in Kgs of beef produced (Kgs)	2017	5,754,880	5,800,000	6,000,000	9,597,020	10,076,871
	Kgs of honey produced annually	2017	627,955	647,000	666,000	707,000	728,000
	Litres of milk produced per year	2017	28,894,136	28,950,000	30,000,000	37,230,000	43,000,000
	Annual Kgs of poultry (meat) produced	2018	5,669,393	5,896,000	6,132,000	6,632,000	6,897,000
	Annual No of trays of eggs produced annually	2018	1,085,880	1,120,000	1,165,000	1,260,000	1,311,000
	MT of hides and skins processed	2017	48.5	56.4	62.0	63.6	69.8
OUTCOME 3: <i>Improved adoption of modern technologies in agricultural (livestock and crops) production</i>	Proportion of farmers accessing crop/ livestock insurance services	2018	1	-	-	-	2
	Proportion of farmers adopting new technologies	2018	30	-	-	-	45
	% change in post-harvest losses	2017	15	10	8	5	3
SECTOR: TRADE, TOURISM AND INDUSTRIAL DEVELOPMENT							
OUTCOME 1: <i>Enhanced fair-trade practices and consumer protection</i>	No. of newly registered/ incubated businesses	2017	30	60	120	300	300
	Average life- time in years of business	2017	3.8	4	-	-	6
OUTCOME	Annual turnover for cooperative societies (Ksh)	2017	280	330	530	730	800

KEY OUTCOME	KEY OUTCOME INDICATORS	BASELINE YEAR	BASELINE VALUE	TARGETS			
				2018/19	2019/20 2020/21	2021/22 2022/23	2023/24
2: Improved cooperative Movement and access to finance services	Millions)						
	Proportion (%) of population with access to banking and insurance services	2017	30				60
OUTCOME 3: Increased investment and industrialization	No. of new industries established within the county	2017	2				10
OUTCOME 4: Increased earnings from tourism and cultural activities	Amount of revenue earned for the county government from tourism (Ksh. Mil lions)	2017	-	40	100	200	250
SECTOR: WATER RESOURCES MANAGEMENT AND SANITATION							
Outcome1: Improved access to reliable and potable water	% of HH with access to potable water	2018	52.7	56	60	67	70
	% of HHs with access to piped water	2018	23.5	25	30	40	45
	Average distance (Km) to the nearest water point	2018	5	4	3	2	2
	Proportion of urban population with access to piped water	2018	12	15	17	22.5	25
	Proportion of water service providers meeting the governance criteria	2018	-	-	-	-	50
Outcome 2: improved sanitation and sewerage service	% of urban population accessing improved sanitation	2018	0	10	20	30	35
	% of HHs with access to individual or shared toilet facility	2018	98.2	100	100	100	100
Outcome 3: Enhanced environmental conservation and climate change adaptation	% forest cover	2018	10	11	13	17	18
	% of county budget allocated to cli- mate change mitigation activities	2018	5		10		20
	No. of climate change/mitigation/adaptation interventions rolled out in the county	2018	3	6	8	15	20
SECTOR: LAND, URBAN PLANNING AND DEVELOPMENT							
Outcome 1:	% of house- holds with title deeds	2018	21.8				50

KEY OUTCOME	KEY OUTCOME INDICATORS	BASELINE YEAR	BASELINE VALUE	TARGETS			
				2018/19	2019/20 2020/21	2021/22 2022/23	2023/24
<i>Improved land tenure system and urban planning and development</i>	% of land disputes settled	2018	2018	60	75	90	100
	% of land records digitized	2018	10	12	14	24	30
Outcome 3: <i>Increased access to affordable and decent housing</i>	Proportion of population accessing improved housing by wall, floor and roofing materials	2018	45.76	47	48	55	55
Outcome 4: <i>Improved spatial planning and infrastructure development</i>	No. of Urban Plans Implemented	2018	12				30
	No. of Urban areas with developed policies and plans	2019	1	-	-	-	3
SECTOR: HEALTH							
Outcome 1: <i>Improved access to quality health care</i>	Doctor to population ratio	2018	1:13,596	1:12,000	1:11,500	1:10,500	1:10,000
	Nurse to population ratio	2018	1:1,398	1:1,300	1:1,250	1:1,500	1:1,100
	No. of health facilities offering essential full package services	2018	58	65	68	88	100
	Average distance to the nearest health facilities	2018	4.5	4.5	4.5	4.5	4.5
Outcome 2: <i>Reduced prevalence of diseases and malnutrition</i>	% immunization of all children below one year	2018	88	90	90	92	95
	HIV prevalence rate (%)	2014	5.6	5.0	4.5	4.2	4.0
	% change in new HIV infections	2014	-4	-5	-10	-16	-20
	Incidence rate of malaria detected and treated (%)	2018	1.5	1.4	1.2	1	1
	Incidence rate of TB detected and treated (%)	2018	60	65	71	78	80
	% reduction in non-communicable diseases incidences	2018	--	-5	-7	-12	-15
	Prevalence of stunting (height for age <-2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age	2014/15	28.9				25
Outcome 3: <i>Improved reproductive health care</i>	Maternal mortality rate	2018	488/100,000				350/100,000
	Proportion of expectant mothers attending at least	2014	40	45	50	57	60

KEY OUTCOME	KEY OUTCOME INDICATORS	BASELINE YEAR	BASELINE VALUE	TARGETS			
				2018/19	2019/20 2020/21	2021/22 2022/23	2023/24
	4 ANC visits						
	% of births attended to by skilled birth attendant	2014	54.6	56	58	63	65
	Infant Mortality rate (per 1000)	2014	45	45	43	40	39
	Under five mortality rate	2014	84	65	60	53	50
	Contraceptive uptake rate (%)	2018	57	58	59	65	72
SECTOR: EDUCATION							
Outcome 1: <i>Improved access to Quality ECDE</i>	ECDE Enrolment	2017	47,014	50,000	50,000	50,000	50,000
	ECDE teacher pupil ration	2017	1:58	1:54	1:48	1:40	1:37
	ECDE pupil transition rate (%)	2018	100	100	100	100	100
Outcome 2: <i>Improved Access to Quality CTI</i>	Total Enrollment in CTIIs	2017	4,358	4,500	4,607	5,500	6,000
	Instructor to student ratio	2017	1:32	1: 25	1: 25	1:21	1:20
Outcome 3: <i>Enhanced educational support</i>	Completion rate (primary and second- ary)	2018	-				100%
	Amount of bursaries awarded (Kshs Mil- lions)	2017	47	47	50	50	50
	Amount of scholarships awarded (Kshs. Mil lions)	2017	12	20	31	35	40
SECTOR: SOCIAL PROTECTION AND SPORT							
Outcome 1: <i>Enhanced cohesive society through social protection, sports, culture and talent development</i>	% of eligible HHs with vulnerable under social protection programmes	2018	10	20	30	70	100
	8.b.1	2018	34	34	34		40
	% of youths earning livelihood from sporting and recreational activities	2018	-	0	0.1		2
	% reduction in gen- der-based violence incidences	2018	20	20	40	60	80
SECTOR: ENABLERS (INFRASTRUCTURE, FINANCIAL INFRASTRUCTURE, ENERGY, ICT, INSTITUTIONAL CAPACITY AND MARKET INFRASTRUCTURE)							
Outcome 1:	Proportion of auto- mated government services	2018	-	-	15	50	70

KEY OUTCOME	KEY OUTCOME INDICATORS	BASELINE YEAR	BASELINE VALUE	TARGETS			
				2018/19	2019/20 2020/21	2021/22 2022/23	2023/24
<i>Improved access and integration of ICT services</i>	(%)						
	Proportion of population who own and use ICT equipment and services. (Computer, lap tops and TV)	2015	2.9	5.0	8.0	15.0	25
	Proportion of population using mobile phones	2019	49	-	-	-	65
Outcome 2: <i>Improved fiscal discipline and accountability</i>	% increase in own source revenue	2016/17	47	60	70	80	90
	No of unqualified audit opinion report	2018	1	1	1	1	1
	% of county public debt to the county revenue	2018	0	-	-	-	4.5
	Proportion of county budget funded by donor/private sector	2018	-	-	-	-	20
	Proportion of total government spending on essential services (Education, Health and social services)	2018	44	-	-	-	60
	% of County Budget Funded by own source revenue	2018	4				10
Outcome 3: <i>Reduced poverty</i>	Proportion of population living below county poverty line	2015/16	34.8	-	-	-	30
	Children aged 0-17 years deprived in 3 or more dimensions	2015/16	56.4	-	-	-	50
	Multi- dimensional poverty	2015/16	59.7	-	-	-	55
Outcome 4: <i>Improved service delivery</i>	Customer satisfaction index	2018	60	70	80	87	90
	Employee satisfaction index	2018	70	75	80	90	95
Outcome 5: <i>Improved transport network, infrastructure and road accessibility</i>	Km of roads constructed (all weather)	2018	156	160	593	1,053	1,391
	Km of roads with tarmac	2018	453	480	503	703	753
	Km of new roads opened up	2018	148	1,648	3,148	6,148	7,648
	Km of earth roads up- graded	2018	4,217	5,543	8,056	14,671	19,071
Outcome 6: <i>Enhanced access to improved sources of energy</i>	Proportion of population with access to electricity(%)	2018	20	25	33	45	50
	Percentage of house- holds connected with solar energy for lighting	2015	24.5	40	48	55	60

8.5 COVID 19 Reengineering Implementation Matrix

	Sector	Strategic Objectives	Expected Outcome /Key Result Area	Expected output	Time frame
1	County Revenue Policy	OSR Enhancement; External grants	Increase in OSR and county revenues to enable smooth implementation of county projects.		Continuous from 2020/21
2	County Expenditure Reforms; Pending Bills	Re-engineer expenditure to be growth oriented and people-centred	County expenditure that is people-centred and focussed on growth-creating sectors such as health, education, water, infrastructure, ICT etc		Continuous from 2020/21
			County expenditure in line with existing National Government and County Government laws		Continuous from 2020/21
			Fully fledged stand-alone ICT department with a budget		2020/21
		Eliminate pending bills			Continuous
3	Agriculture	Diversification of production into fast-maturing vegetable crops through irrigation	County residents eat more nutritious food	Increased number of farmers producing fast-maturing vegetables/crops; Increased availability of nutritious vegetables/crops in the county	
		Enhancing agro-processing and value addition capacities of counties	Transformation of smallholder value chains in the County	Increased private investments in the County; Increased collaborations with research institutes; Enhanced agricultural extension and information outreach systems in the County	
		Investments in storage and cooling facilities especially at collection centres	Enhanced food security in the County	Increased storage and cooling facilities; reduced post harvesting losses	
		Digitization of the agricultural sector	Digitized marketing, advisory and information, financial and agricultural government operations at the County		

		Disaster surveillance at County level and mitigate risks associated with disasters, such as those related to floods	Enhanced food security in the County	Increased preparedness of households and communities to mitigate and respond to shocks; Early warning	
		Enhanced access to agricultural finance	Access to agricultural finance will improve farmers access to support services and commodities e.g. access to affordable formal finance will enhance: - access to high end output markets; access to modern technologies and modern inputs; enhanced opportunities for agro processing and value addition; resilience to climate change etc.	Increased number of small holder farmers with access to agricultural finance.	
4	Manufacturing and MSMEs	Enhance innovation	Increased county revenues; Increasing levels of employment; Increasing use of new business models	New product brands in the market; Improved processes	3 years
		Strengthening partnerships	Increased project undertaken by partners	Increased PPP arrangements	continuous
		Enhance skills	Increased productivity; More revenues	Increased No. of personnel trained	Continuous
		Eliminate counterfeits	Increased County competitiveness	Increased output; increase manufacture sales	continuous
5	Water and Sanitation	To increase access to clean water	No of water infrastructure developed and rehabilitated	Increased access to clean and safe water	
		To increase access to improved sanitation	No of sanitation infrastructure developed and rehabilitated	Increased access to improved sanitation	
	Solid waste management	To achieve increased solid waste collection and management	No of environment clean up exercised in major urban centres and neighbourhoods	Increased access to clean environment	
	Environment and Natural Resources Conservation	To increase environment conservation to clean water; To increase access to improved sanitation	No of free trees seedlings distributed to local communities; No of trees planted	Increased forest cover	
	Droughts and floods control	To mitigate the effects of droughts and floods	No of dams and dykes constructed to control floods	Increase safety from the effects of floods and droughts	
6	Transport	To enhance sustainable mobility options for household	Increased modal split in favor of NMT	Increase in knowledge management of NMT infrastructure	6 months

		To enhance health, safety and hygiene in public transport vehicles	Compliance to the COVID-19 safety guidelines	Reduced exposure and infection rates attributed PSV use	4 months
		To improve the road conditions of the road network	Improved accessibility and reduced vehicle operation costs	Increased proportion of roads in good and fair condition	
			Improved accessibility and reduced vehicle operation costs	Increased proportion of roads in good and fair condition	
		To mitigate the damage caused by floods on roads and bridges	Resilient road infrastructure that can withstand floods with controlled damage	Number of green roads projects and water harvesting infrastructure	
7	Information and Communication Technology (ICT)	To enhance ICT capacity and use	Increased use of ICT for domestic and commercial purposes	Increase in number of households owning ICT assets and technologies	1 year
			Increased use of ICT for domestic and commercial purposes	Increase in number of households connected to reliable and affordable internet	1 year
			Improved access to ICT infrastructure and services	Increase in number of household able to access ICT through community facilities	
		Boosting e-commerce and home-based economies through ICT access	Increased use of e-commerce to boost trade	Increased proportion of population engaging in e-commerce	
		Enhance prominence in County planning and budgeting	Enhance prominence of ICT plans, programmes and projects	Increased budget for ICT	
		Enhance cyber security	Enhanced detection, mitigation and reporting of cyber security incidents	Reduced cyber security incidents	
8	Urban Development and Housing	To improve the quality of life of residents through provision of affordable and decent housing	Enhanced quality in informal settlements due to improved housing conditions	Increased proportion of households provided with affordable and decent housing	
			Reduced flood risk and disaster incidents in human settlements	Increased number of households relocated from flood risk areas	
		To increase access to clean energy sources and technologies for cooking by households	Increased number of households with access to clean energy and technology for cooking	Proportion of households with access to clean energy and technology for cooking	
9	Tourism	Enhance socio-economic benefits from the tourism sector	Growth in revenue generation from tourism	Increased visitor numbers to the county; increased awareness of the diversified	3 – 5 years

				tourism product offering	
			Diversified tourism experiences / product; Sanitation standards in tourism upheld	Increased number of tourists visiting the County; increased awareness and practice of sanitation in tourist products	3 – 5 years
10	Health	Improve access to quality and affordable health services	Improved health condition of pregnant women	Number of women benefitted	
			Health infrastructure development	Number of health facilities improved and equipped as per norms	
			Efficient and effective service delivery	Number of health officers recruited	
			Increase % of availability of essential Medical products	Number health centres stocked with essential medical products.	
			Reduced mortality	Number of immunization outreaches	
		To improve sanitation in the County	Increased latrine coverage	% of homesteads with latrines	
			Improved access to safe water in public places	Number of boreholes drilled	
		Strengthen collaboration with health-related sectors	Improved service delivery	% change of health sector development	
		Minimize exposure to health risk factor	Reduced mortality rate	Number of patients treated	
11	Education	To improve service delivery in schools	Improved training environment	Number of school facilities renovated and constructed	
			Improvement in teaching skills	Number of teachers trained	
			Efficient and effective service delivery	Number of ECDE teachers recruited	
			Improvement in the management capacities	Number of trainings held	
		Enhance transition and retention rates in schools	Increase of school attendance	No. students of supported with bursaries	
			Increase in number of students attending schools	% of students attending schools	
			Increase in number of students attending schools	% students attending schools	
		To provide safety in schools	Reduction in cases of COVID-19	Quantities of PPE and surgical masks supplied	
		Strengthen social well-being of students	Increased retention and attendance in school	Number of schools where guidance & counselling	
12	Social Protection	Promote social protection activities	Reduction in treatment cost during emergencies	Number of people covered by insurance	

			Reduced poverty level	Number of people who benefitted from cash transfers	
13	Human Resource	Provide safety in workplaces	Reduced cases of COVID-19 in workplaces	Number of protective equipment provided	
		Improve staff digital skills	Improvement in remote working	Number of staff trained on digital skills	
		Mainstream occupational safety and health into the sectors of the economy	Increased control of COVID-19 transmission	No. of workers trained	
			Reduced cases of COVID-19 in workplaces	Number of protective equipment provided	

8.6 Revenue Trends and Projection in The Medium Term

Revenues (in Millions)	FY 2018/19 Budget	FY 2019/20 - Original	FY 2020/21 original	FY 2021/22 Projection	FY 2022/23 Projection	FY 2023/24 Projection
Equitable share from National Government	7,127.80	7,254.00	7,406.10	8,132.78	8,132.78	8,132.78
Equitable share from National Government - COVID Health allowances	-	-	58.83	-	-	-
County generated revenue	511.70	609.00	1,093.00	575.00	835.00	885.00
Conditional Allocation for Development of Youth Polytechnics	23.84	60.33	68.30	-	-	-
Conditional Allocation for Leasing of Medical Equipment	-	131.91	132.02	153.30	-	-
Conditional Grant - for COVID 19 Emergency response	-	-	119.72	-	-	-
Conditional Allocation from Road Maintenance Fuel Levy Fund	187.67	210.23	216.97	-	-	-
Conditional Allocations for compensation for User Fees Forgone	19.44	19.44	19.44	-	-	-
Bulk SMS Donor Support	-	-	0.10	-	-	-
World Food Programme Funding	-	-	1.00	-	-	-
KDSP Grant - Investment Grant	168.58	296.65	-	-	-	-
DANIDA Grant (Universal Healthcare in Devolved System Program) - FY 2017/18 Funds	9.48	-	-	-	-	-
IDA (World Bank) credit: Kenya Urban Support Project(KUSP) - Urban Development Grant (UDG)	136.26	136.26	-	-	-	-
DANIDA - UHC Health Programme support -	-	-	7.95	-	-	-
DANIDA Grant (Universal Healthcare in Devolved System Program)	22.88	21.28	21.06	-	-	-
EU Grant (Instruments for Devolution Advice and Support IDEAS)	48.82	50.18	11.00	-	-	-
IDA (World Bank) credit: Kenya Devolution Support Project (KDSP) " Level 1 grant"	-	30.00	45.00	-	-	-
IDA (World Bank) credit: Kenya Devolution Support Project (KDSP) " Level 2 grant"	-	-	184.80	-	-	-
Transforming Health Systems for Universal Care Project (WB)	51.16	89.18	98.89	-	-	-
Conditional Allocations for Free Maternal Health Care Allocation	-	-	-	-	-	-
IDA (World Bank) credit (National Agricultural and Rural Inclusive Growth Project (NARIGP)	50.00	350.00	198.50	-	-	-
Kenya Urban Support Programme - Urban institutional Grant	41.20	8.80	-	-	-	-
Sweden- Agricultural Sector Development Support Programme (ASDSP) II	8.28	19.05	14.53	-	-	-
Nutrition International	-	-	10.00	-	-	-
PPPs & Development partners	-	-	-	-	250.00	350.00
Conditional Allocation - other loans & grants	-	-	-	600.21	550.00	550.00
Total Revenue(In millions)	8,407.10	9,286.32	9,707.19	9,461.30	9,767.78	9,917.78

8.7 Annex 1: Actual Own Source Revenue(OSR) Analysis

Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Business Permits	67,151,985.00	66,279,779.00	65,078,465.00	65,462,920.00	83,160,173.00	127,090,700.00	91,776,870.00	566,000,892.00
Liquor Licence Fee	21,035,512.00	22,184,470.00	28,684,270.00	32,685,505.00	36,947,751.00	47,673,170.00	11,854,728.45	201,065,406.45
Market Fee	22,658,924.00	26,371,345.00	25,583,865.00	25,212,395.00	25,806,058.00	28,072,495.00	19,876,473.00	173,581,555.00
Parking Fee	16,387,074.00	22,737,626.00	25,809,465.00	25,841,269.00	28,529,340.00	28,413,300.00	25,196,715.00	172,914,789.00
NHIF Reimbursement						34,080,052.00	102,944,560.30	137,024,612.30
Health FIF					-	54,212,563.00	60,718,988.30	114,931,551.30
Cess	6,865,488.00	14,608,953.00	13,020,759.00	14,997,040.00	13,820,536.00	19,851,860.00	13,707,707.00	96,872,343.00
Dev Control & Approval	7,257,714.00	10,387,545.00	8,633,403.00	9,666,986.00	9,841,857.00	15,562,041.00	12,161,850.00	73,511,396.00
Health (UHC)					26,052,560.00	22,152,025.00	17,393,922.50	65,598,507.50
Plot Rent	8,350,471.00	8,065,108.00	11,683,488.00	6,668,541.00	7,793,352.00	8,676,341.00	8,121,005.00	59,358,306.00
Stock Market Fee	6,951,965.00	8,516,490.00	8,410,305.00	8,335,230.00	7,510,745.00	7,773,035.00	4,154,484.00	51,652,254.00
Sand Cess-Local	4,670,850.00	3,660,300.00	3,526,082.00	5,342,050.00	2,279,795.00		26,768,500.00	46,247,577.00
Insurance Compensation	-	-	4,598,000.00	-	21,957,956.00	2,873,518.00	8,312,912.00	37,742,386.00
Public Health	-	-	-	-	12,200,250.00	14,732,850.00	10,755,150.00	37,688,250.00
Makueni fruit processing plant(MFPP)						28,564,965.10	8,965,440.20	37,530,405.30
Veterinary Services Fee	2,489,913.00	2,439,820.00	5,894,260.00	3,289,310.00	4,368,240.00	7,346,971.00	7,673,811.00	33,502,325.00
Sand Authority					10,011,300.00	22,411,000.00		32,422,300.00
Conservancy Fee	4,651,901.00	4,298,807.00	4,237,080.00	4,178,635.00	4,689,187.00	5,211,190.00	3,344,830.00	30,611,630.00
Advertisements/Branding	3,400,200.00	3,740,650.00	3,947,450.00		4,985,092.70	3,483,353.00	9,494,490.00	29,051,235.70
Other Revenues	5,663,786.00	12,079,967.00	1,918,291.00	5,387,842.00	-	1,282,344.00	112,080.00	26,444,310.00
Kiosk Renewal Fee	3,915,855.00	2,969,900.00	2,845,789.00	3,327,250.00	3,656,000.00	4,991,740.00	3,692,980.00	25,399,514.00
Penalties	2,863,418.00	1,698,194.00	1,682,247.00	1,975,864.00	3,310,220.00	4,331,012.00	2,047,361.00	17,908,316.00
Stock Movement Fee	2,092,175.00	1,929,580.00	1,705,705.00	2,705,260.00	2,481,470.00	4,183,455.00	1,524,526.00	16,622,171.00
ATC	-			3,723,109.00	3,042,380.00	4,949,280.00	4,019,510.00	15,734,279.00
Vehicle /Motor cycle Registration	1,155,350.00	1,320,500.00	1,290,530.00		1,421,670.00	3,434,255.00	2,830,300.00	11,452,605.00
Masts	450,000.00	520,000.00				1,119,506.75	2,005,836.00	4,095,342.75
Direct Credits					3,817,333.00	-		3,817,333.00
Building Material Cess			1,055,300.00		3,000.00	2,046,575.00	686,256.00	3,791,131.00
Stall Rent					125,500.00	1,705,460.00	1,356,900.00	3,187,860.00
Weights & Measures	-				683,160.00	1,327,920.00	887,630.00	2,898,710.00
ASK Show					891,940.00	1,890,735.00		2,782,675.00
Sale of Tender	1,175,460.00	1,540,920.00	-	-	-			2,716,380.00
Interest on Deposit					2,441,804.00			2,441,804.00
Change Of User							2,050,000.00	2,050,000.00
Cooperatives Audit Fee	-		566,895.00	274,212.00	257,236.00	274,570.00	280,590.00	1,653,503.00
Agriculture					-	1,167,900.00		1,167,900.00

Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Hire Of County Assets/Facilities						314,900.00	232,190.00	547,090.00
Road Cutting						326,000.00	84,300.00	410,300.00
Clearance Certificate							358,760.00	358,760.00
Occupation Certificate							241,000.00	241,000.00
Education and ICT						116,990.00	117,900.00	234,890.00
Fire Certificates						57,800.00	155,900.00	213,700.00
Agricultural Services (Agriculture Mechanized Services)							33,000.00	33,000.00
Environment (Noise Licenses)					18,320.00	-		18,320.00
Cemetery Fee						200		200.00
Other Revenues (Direct Transfers)								0.00
TOTAL	189,188,041.00	215,349,954.00	220,171,649.00	219,073,418.00	322,104,225.70	511,702,071.85	465,939,455.75	2,143,528,815.30