

VIHIGA COUNTY GOVERNMENT



COUNTY FISCAL STRATEGY PAPER

2018



Towards a Globally Competitive and Prosperous Nation

FOREWORD

This County Fiscal Strategy Paper (CFSP) sets the out County strategic priorities that will form the basis for budgeting for the financial Year 2018/2019 and the Medium-Term Framework. It has been prepared in accordance with section 117 of the Public Finance Management Act, 2012 and aligned to the Budget Policy Statement published by the National Treasury.

It outlines the County performance levels on revenue and expenditure vis a viz the approved estimates. It goes further to set out projections on estimated revenue, expenditure and deficit/surplus in the coming financial year. The estimated resources, priorities and goals are set based on the County Integrated Development Plan (CIDP). These priorities shall form the basis for resource allocation for every department.

An overview of the recent economic developments and economic outlook; review of fiscal performance and emerging challenges; broad strategic priorities and policies for the Medium Term and the Medium Term Fiscal Framework will inform the future estimates.

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Executive Committee Member – Finance and Economic Planning Vihiga County

ACKNOWLEDGEMENTS

The preparation of this County Fiscal Strategy Paper 2018 continues to be a collaborative effort from an array of expertise of professionals and key stakeholders in the County. Most of the information in this paper has been obtained mainly from the National and County Governments policy papers. We are grateful for their objective inputs and directions. We are also appreciative to those who provided inputs during the various budgeting forums conducted in the County, in addition to directions from the Commission for Revenue Allocation and other stakeholders.

We are particularly grateful to His Excellency the Governor for his lead role, direction and guidance in developing this document; his Excellency the Deputy Governor, the County Secretary, County Executive Member for Finance and Economic Planning, and the Executive Committee for their input in providing much needed information to the team working on this County Fiscal Strategy Paper. Special thanks go to the technical team in the Finance and Economic Planning department who spent a significant amount of time putting together this Paper.

Livingstone L. Imbayi

The Chief Officer Finance and Economic Planning Vihiga County

List of Acronyms and Abbreviations:

CECM -	County Executive Committee Member
CFSP -	County Fiscal Strategy Paper
CIDP -	County Integrated Development Plan
CRA -	Commission on Revenue Allocation
EAC -	East African Community
ECD -	Early Childhood Development
ECDE -	Early Childhood Development Education
EIA -	Environmental Impact Assessment
FY -	Financial Year
GDP –	Gross Domestic Product
GIS -	Geographical Information Systems
HDU-	High Dependency Unit
ICT-	Information and Communication Technology
IFMIS -	Integrated Financial Management Information System
KMTC -	Kenya Medical Training Centre
KNBS -	Kenya National Bureau of Statistics
KPI -	Key Performance Indicators
MCA -	Member of the County Assembly
MCH –	Maternal Child Health
MDG –	Millennium Development Goal
MTEF -	Medium Term Expenditure Framework
NEMA -	National Environmental Management Authority

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Legal Basis for Preparation of the County Fiscal Strategy Paper

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance Management Act, 2012 which provides,

- 1) The County Treasury shall prepare and submit to the County Executive Committee, the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year.
- 2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
- 3) In preparing the County Fiscal Strategy Paper, the County shall specify the broad strategic priorities and policy goals that will guide the County government in preparing its budget for the coming financial year and over the medium term.
- 4) The County Treasury shall include in its County Fiscal Strategy Paper the financial Outlook with respect to County government revenues, expenditures, and borrowing for the coming financial year and over the medium term.
- 5) In preparing the County Fiscal Strategy, the County Treasury shall seek and take into account the views of:
 - a) The Commission on Revenue Allocation,
 - b) The public,
 - c) Any interested persons or groups and
 - d) Any other forum that is established by legislation.
- 6) Not later than fourteen days after submitting the County Fiscal Paper to the County Assembly, the County shall consider and may adopt it with or without amendments.
- 7) The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned.
- 8) The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County assembly.

Fiscal Responsibility Principles in the Public Financial Management Law

In line with the Constitution, the Public Finance Management (PFM) Act 2012, outlines the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section107) states that:

- 1) The County government's recurrent expenditure shall not exceed the County government's total revenue.
- 2) Over the medium term, a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure.
- 3) The County government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County government's total revenue as prescribed by the County Executive Member Finance regulations and approved by the County Assembly.
- 4) Over the medium term, the County Government's borrowings shall be used only for financing development expenditure and not for recurrent expenditure.
- 5) The County debt shall be maintained at a sustainable level as approved by the County Assembly.
- 6) Fiscal risks shall be managed prudently.
- 7) A reasonable degree of predictability with respect to the level of tax rates

and tax bases shall be maintained, taking in to account any tax reforms that may be made in the future.

Regulations 25. (1) States that in addition to the fiscal responsibility principles set out in section 107 of the Act, the following fiscal responsibility principles shall apply in the management of public finances—

- (a) the County Executive Committee Member with the approval of the County Assembly shall set a limit on the County government's expenditure on wages and benefits for its public officers pursuant to section 107(2) of the Act;
- (b) the limit set under paragraph (a) above, shall not exceed thirty-five (35) percent of the County government's total revenue;
- (c) for the avoidance of doubt, the revenue referred to in paragraph (b) shall not include revenues that accrue from extractive natural resources including as oil and coal;
- (d) the County public debt shall never exceed twenty (20%) percent of the County governments total revenue at any one time;
- (e) the County annual fiscal primary balance shall be consistent with the debt target in paragraph
- (f) the approved expenditures of a County Assembly shall not exceed seven per cent of the total revenues of the County government or twice the personnel emoluments of that County Assembly, whichever is lower;
- (g) pursuant to section 107(5) of the Act, if the County government actual expenditure on development shall be at least thirty percent in conformity with the requirement under section 107(2)(a) of the Act;
- (h) if the County government does not achieve the requirement of regulation 25(1)(f) above at the end of the financial year, the County executive committee member for finance shall submit a responsibility statement to County Assembly explaining the reasons for the deviation and provide a plan on how to ensure annual actual expenditure outturns as well as medium term allocation

comply with the provisions of Section 107 (2) (a) of the Act and these regulations in the subsequent years; and

- (i) the compliance plan above shall be binding and the County executive committee member for finance shall ensure implementation.

CHAPTER ONE: RECENT ECONOMIC DEVELOPMENTS

GENERAL ECONOMIC SITUATION OF VIHIGA COUNTY

According to the County development analysis done by the Department of Finance and Economic planning in a report called Handbook of County reporting indicators for the County Integrated Development plan (CIDP) ,2013-2017 The handbook shows status of the County, the challenges it is facing and the strengths it has.

Major Development Challenges

Population Pressure

The rate of population growth in the County exceeds the rate of wealth accumulation. The high population exerts pressure on the land leading to uneconomical sub-divisions of land. It further constrains family resources which must be shared to large family sizes as well as on social amenities such as schools, hospitals and water and sewage system. Cultural practices that encourage large family size and inaccessibility to contraceptives for those living far away from shopping centers are the main causes of the high population growth in the County.

Poor Infrastructure

The County has a poor state of roads and other forms of communication infrastructure. Although most of the roads are all weather, the heavy rainfalls received in the County destroy the roads leading to high maintenance costs. The poor state of roads hampers the movement of farm produce to the market. Similarly, business people are unable to transport their commodities to interior parts of the County making accessibility to some products almost impossible. The poor road network has also contributed to insecurity as security personnel have been unable to respond in time in case of emergency. It is expected that devolved funds will give priority to infrastructure in the County. The mobile network coverage to some areas especially within the valleys is lacking due to the land terrain.

Low Agricultural Productivity

Agricultural productivity in the County is low and declining. This can be seen in maize production where the average production of maize is four bags per acre as compared to its potential of fifteen (15) bags per acre. Declining soil fertility and low-adoption of new farming technologies are some of the contributing factors for the low agricultural productivity in the County. This is compounded by a number of other factors such as the declining land sizes, inadequate affordable credit, unaffordable inputs to farmers, poor access to agricultural extension services and soil erosion. The situation is complicated further by the effects of climate change. The rain seasons have changed while temperatures have risen making the region unsuitable for crop and livestock production. As a consequence, farmers are unable to meet the annual food requirements forcing the County to rely on neighboring counties to meet the deficit.

Inadequate Safe and Clean Water

Water underpins the socio-economic development of a County. The main water sources for domestic use are protected springs, shallow wells and rivers. These resources are however, declining over years; both in quantity and quality. The major cause of the declining quantity is the planting of hydrophilic trees species (eucalyptus) along the river banks and encroachment of wetlands. Inappropriate farming practices upstream, improper solid and liquid waste management as well as the runoff occasioned by the gradient of the land. These factors are responsible for the declining water quality.

Inadequate Health services

Access to health services is one of the major concerns that hamper the development of the County. The County is faced with a number of factors that limit the access to proper health care. These factors include; inadequate health infrastructure, lack of medical personnel as well as persistent shortage of drugs. The high maternal and infant mortality rates imply that efforts should be made to adequately address the

challenge. More health institutions will be constructed while the existing ones expanded and equipped. The shortage of medical personnel will be addressed by recruiting more doctors and other staff.

Education

Provision of quality and affordable education has been a challenge in the County. The number of education facilities do not meet the needs of the growing learner population at all levels. This situation is further complicated by the shortage of staff and learning materials. The cost of education is relatively high and hence the growing needs of the bright and needy learners have not been adequately addressed. The County government will partner with all key stakeholders with a view of addressing these problems.

Cross-Cutting Issues

HIV and AIDS

The County whose HIV/AIDS prevalence rate is 5.6 per cent been affected adversely by the disease. This prevalence rate is however may be attributed to two major highways passing through the County. The two highways increase the interaction between the local community, truck drivers and other entrepreneurs thereby increasing their risk. The worst affected areas are Luanda and those centers lying along the Kisumu - Kakamega highway. Cultural practices, for example wife inheritance, inadequate health personnel and facilities are some of the weakness that has hindered control of new infections. This has had a negative impact on development despite the amount of the resources available for use in taking care of both the infected and affected.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Well trained and dedicated health staff and community health workers; availability of anti-retroviral drugs;	Inadequate health personnel and facilities and low VCT and ARV uptake	Support from the Global Fund and other development partners,	Rigid cultural practices e.g. wife inheritance; persistent stigma for the infected and multi-drug resistance

Strengths	Weaknesses	Opportunities	Threats
existence of several VCT centers; availability of development partners and availability of various HIV/AIDS related services.		Proposed HIV/AIDS Bill and new research outcomes	opportunistic diseases and possibility of withdrawal of funds by development partners

Disaster Management

The major disasters in the County include lightning, heavy rains, deforestation, destruction of loose surface roads and bridges, and road accidents. The County has had occasional incidences of rocks falling at quarry sites, collapsing of buildings and fire outbreaks. Other incidences occur during dry seasons, human activities such as clearance of farm lands through burning of bushes, electric faults and lightning strikes during raining seasons. This has led to loss of life and property. On the other hand, the County does not have well defined measures or facilities to tackle such problems. Disease outbreaks have also been experienced and these have resulted in diversion of resources to address them thus affecting project implementation.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Trained staff on disaster management	Inadequate facilities for response during disaster and low awareness level of the risk of disasters	Seek assistance from the development partners	Safety of the acquired facilities is not guaranteed and frequent disasters

Gender Inequality

There are some cultural beliefs which are discriminative against women and children. One of the beliefs is that women are considered to be temporary members in the family and therefore they should not own land or even get much education. Women are therefore left out in major decision-making processes; some of which affect them. Likewise, children are made to believe that they have nothing important to contribute in terms of views and therefore should only take instructions. To address these views and others, there are

several NGOs and CBOs that are spearheading education on women and children rights. Women can now access the Women Enterprise Fund to uplift their living standards. Many women however, do not report cases of infringement of their rights for fear of being condemned by the extended family. Cases taken to court may also drag for a long time before being completed.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Several NGOs, CBOs and government officers have been spearheading education on women and children rights; political will exists and strong policies are in place	Rigid Cultural beliefs that infringe on women and children rights.	Access to Women Enterprise Fund and others and possibility of seeking assistance from development partners that support children	Cases against infringement of women and children rights may drag in court being completed.

Environment and Climate Change

Climate Change is considered one of the most serious threats to sustainable development. Potential impacts of climate change are expected in many sectors such as; human health, food security, economic activities, natural resources and physical infrastructure. Changes in climate affect the average weather that people are accustomed to. Changes in climate will enhance the spread of some diseases. Changes in temperature and precipitation, as well as droughts and floods, will likely affect agricultural yield and production. These impacts will compromise food security and threaten human health through malnutrition, the spread of infectious diseases and food poisoning.

Poor land use, improper waste disposal and pollution of rivers and springs are some of the environmental challenges affecting the County. The increasing population has resulted in the community invading the existing forest thereby interfering with the water catchment. Poor land use system and poor terrain are other factors attracting environmental degradation. The growing population has put pressure on land such that the land parcels have further been sub-divided into uneconomical units. Encroachment of wetlands

by the growing population has led to declining water volumes in existing water sources. Development partners could increase funding on trainings and implementation of environmental programmes so as to complement the County government’s efforts in addressing these challenges. The County Environmental Action Plan will be prepared to address the above issues.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Well trained environmental conservation staff; ever flowing rivers and springs that can support conservation initiatives; financial support from other stakeholders and Sub-County Environment Committees	Inadequate staff and non-adherence to technical advice by farmers and weak enforcement of laws,	Availability of NGOs and CBOs engaged in environmental issues	Ever increasing population that increases demand for settlement land and natural calamities

Information Communication and Technology

The uptake of ICT in the County is low as depicted by the limited internet facilities. This means that residents of the County have not fully integrated ICT into development. The provision of electricity in most trading centers would ease the installation of internet facilities. A substantial part of the population especially the youth is knowledgeable on internet use. The major mobile phone networks are available almost all over the County as is the case with most radio and television services. However, many households do not own television sets as insecurity is rampant creating fear of owning the gadgets for those who can afford. ICT firms could be offered incentives so that they can put up ICT facilities especially in places like Luanda, Emuhaya, Mbale in Vihiga and Cheptulu and Serem in Hamisi.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Electricity is available in most parts of the County; substantial number of trained persons in computer skills and most	High cost of putting up cyber cafes and high cost of equipment	Loans can be acquired from the available financial institutions and availability of training institutions	Cyber crime Changing environment and technology

information technology networks are available throughout the entire County			
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Poverty

Poverty is widespread throughout the County with 41 per cent of people living below the poverty line. This level of poverty has implications on the County’s efforts in development since no meaningful development can take place. The causes of poverty are diverse and include lack of capital to invest, high population, un-economical land units, high dependency syndrome, HIV/AIDS, alcoholism, poor infrastructure, lack of farm inputs, cultural practices, early marriages, high school dropouts, limited employment opportunities and poor implementation of pro-poor projects.

To address poverty, measures such as modern agricultural practices, irrigation system farming and horticultural crops cultivation among other things should be put in place. High disease burden and insecurity are threatening the fight against poverty. There are however a number of NGOs and CBOs that are assisting the local community in establishing sustainable income generating activities. The government is also providing relief food to those who cannot afford meals. Devolved funds such as Constituency Development Fund, Women Enterprise Development Fund and Youth Enterprise Development Fund have been used to put up projects and programmes aimed at uplifting the living standards of the people.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Good climate that can support farming and livestock keeping; ready market for farm produce and products and substantial fraction of the labour force is well trained in various fields.	Inadequate farming skills; small land sizes; limited job opportunities; limited credit facilities; idleness among youth; poor infrastructure and poor implementation of pro-poor programmes and projects.	Availability of the modern farming technology; availability of devolved funds and sound government policies.	Unpredictable weather and rising population

Youth Concerns

There is a high population of youth in the County who are mainly idle. They engage in drug abuse posing danger to security. This has contributed to the high prevalence rate of HIV/AIDS because of youths engaging in irresponsible sex and unavailability of youth friendly VCT centres. The existence of the Youth Enterprise Development Fund and other pro-youth initiatives will assist the youth to come up with development projects which will improve their livelihood. However, the Youth Enterprise Development Fund is not enough to meet the many applications that are received. More youth groups can be established and the County should develop appropriate policies and youth tailor-made training. Political interference in youth programmes, drug abuse, irresponsible sex and negative attitude towards youth are some of the threats that may hinder youth development.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Well trained staff; existence of many active youth groups and high literacy level among youth.	Inadequate personnel and sporting facilities Delay in release of the funds, Orientation towards white collar jobs	Youth Enterprise Development Fund, Youth policy in place,	Increasing influence of rigid culture HIV/AIDS; Negative attitude towards youth, Political manipulation, Social media

Physically Challenged

Physically challenged persons in Vihiga County comprise of approximately 26,250 and majority of them live in vicious cycles of poverty due to stigmatization, limited education opportunities, inadequate access to economic activities and access to the labour market. Persons with disability confront a range of challenging situations; depending on the extent of their disability. Access to infrastructure and services is a big challenge. Concerns of persons with disabilities will be addressed in accordance with the Disability Act, 2003. Sensitization programmes should be enhanced to ensure that the Disability Act is understood by the community and hence complied with. Different projects should also be initiated to address the

needs of people with disability. As a County, priority should be given to the creation of more investment opportunities for this group so as to improve on their welfare.

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Existing Disability Act and positive attitude towards disability	Poorly organized disability groups	Existing funding from the CG and NGOs and enabling Policy and regulatory framework	Limited funds and rigid cultural beliefs about disability

Disaster Risk Reduction (DRR)

Disasters, when they occur, disrupt and adversely impact on development including loss of resources, loss of capital stock and inventory, loss of production and provision of services, increase in fiscal expenditure, decline in economic growth, disincentives to new investment, diversion of resources from originally planned uses, negative impact on investment climate among others.

Well intended development efforts sometimes have disastrous consequences. Development projects implemented without taking into account existing environmental hazards may increase vulnerability to natural disasters. To ensure sustainable development, Disaster Risk Reduction measures should therefore be factored in the design, implementation, monitoring and evaluation of all policies, projects and programmes.

Situation Analysis

The County’s response to disasters has always been reactive. There has been low resilience due to a number of factors such as inadequate investment in DRR programmes and activities, low awareness in the preparedness for disasters by community, institutional shortcomings occasioned by lack of comprehensive strategies in addressing disaster risk reduction in an integrated, sound and sustainable manner.

In Vihiga County, the major institution that addresses DRR is the Kenya Red Cross. The institution faces many challenges including inadequate skilled staff, lack of machinery, tools and equipment to effectively respond to emergencies.

Poverty levels which stand at 41per cent has greatly been contributed by disasters. Climate change that occasioned the drought experienced in 2004 and 2011 led to severe food shortage affecting the livelihood of the people. Disease outbreaks and HIV/AIDS whose prevalence is 5.6per cent has been a major factor in increased mortality rates thus affecting flow of income at house hold level and also increasing the number of orphans and vulnerable children.

The major disasters in Vihiga County are as illustrated in below.

S/no	Type of disaster	Trend	Pattern	Impact
	Soil erosion and rock fall	Occurs during rainy seasons	Mainly on hill slopes and along the feeder roads	Loss of lives Loss of property damaged roads bridges loss of fertile agricultural land
1.	Fires	Forest fires occur during dry seasons fire on infrastructure like buildings, power lines and fires caused by oil spillage from tankers	Kakamega Forest major towns Along major roads eg. Kisumu - Busia Road.	Loss of lives and property, loss in expected investment/ income
2.	Lightning	During dry seasons and heavy rains	Mainly in public institutions i.e schools	Loss of lives and property widespread fear
3.	Collapse of quarry mines	Occasionally	Quarry sites	Loss of lives and property
4.	Collapse of poorly constructed buildings	Occasionally	Major towns in the County – Emuhaya, Luanda, Majengo, Mbale and Chavakali	Loss of lives property and loss in expected investment income

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Presence of the national policy on DRR which can be cascaded to the counties; presence of personnel who can map disaster prone areas; availability of survey data on disasters and existence of institutions like Red Cross	Inadequate trained human resource to cascade DRR legislation; lack of disaster prone area maps in the County; lack of comprehensive data on all types of disasters prone in the County and insufficient trained personnel in the existing institution	Reaffirmation of all institutions to implement DRR legislation Possibility of demarcating risk prone areas; presence of civil society organizations undertaking surveys on disasters and volunteers willing to be equipped with DRR knowledge	Lack of goodwill in the implementation of DRR legislation by stakeholders Failure of disseminated information reaching targeted groups; loss of data during storage and data manipulation and uncoordinated DRR efforts among institutions

Analysis of Issues and Causes

The matrix below provides a summary of the main development issues affecting the County, their causes, development objectives and proposed strategies. It also maps the development issues with the respective MTEF sectors and corresponding national/County functions.

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MTEF Sector	Sub-sector	Link to national/County functions	Issues/Problem	Causes	Development Objectives	Immediate objectives	Potential strategic policy thrusts
Agriculture and Rural Development	Agriculture	County function	<ul style="list-style-type: none"> Low Agricultural Productivity 	Low quality seeds; High cost of farm inputs and poor farming methods.	To Improve crop production by at least 50per cent by 2017 and improve farming methods.	Improve yields by 20per cent annually for the next 5 years;	Farm input, credit facility at County level; Promote small scale irrigation; agricultural training center(s) for farmers in the County; Development of Agriculture and rural development sector strategic plan for the County; Promotion of Green house and traditional crops Strengthen Agriculture Institutions and capacity building.

MTEF Sector	Sub-sector	Link to national/ County functions	Issues/Problem	Causes	Development Objectives	Immediate objectives	Potential strategic policy thrusts
	Fisheries	County function	Poor Storage Preservation marketing of fish	Inadequate funds	To improve living standards of people	To improve value of fish products	Enhance capacity for post-harvest storage and preservation Subsides on fish farming inputs.
	Livestock	County function	Poor processing of hides and skins	Lack of a tannery	To improve incomes	To add value to hides and skins	Establish a tannery
	Cooperatives	County function	Mismanagement of cooperative societies and poor governance	Corruption; lack of training	To improve management of cooperatives	To revive dormant cooperatives	Improve governance in cooperatives Intensify cooperative education training.
	Lands	County function	Land Tenure and subdivision	High population pressure	To increase on farm yields	To survey all land	Public sensitization on land ownership Issuance of title deeds
	Forest	County function	Forest encroachment and poor conservation of water catchment areas	Population pressure	To conserve the environment	To increase forest cover	Sensitization on conservation of water catchment areas Enforcement of existing laws or enacting new ones at County level
Energy, Infrastructure and ICT	Energy	National function	Inadequate, erratic and single-phase power	Inadequate funds	To improve productivity	To increase electricity coverage	Expansion of rural electrification Construction of hydro power on rivers Egalogoli, and Kaimosi dam
	Roads	County/national function	Poor road infrastructure	Inadequate funds; encroachment to road reserves	To improve access to market centres and public institutions	To tarmac Majengo-Hamisi-shamkhohho, and mbale-magada-luandai roads	Routinely maintenance of roads and bridges
	Transport	County/national function	Lack of an airstrip	Inadequate funds	To improve access to markets	To put up an airstrip	Mobilize for funds
General Economic, commercial and labour Affairs	Tourism	County/national function	Undeveloped tourism potential	Inadequate skills, knowledge and funds	To increase on revenue	To increase number of tourists visiting	Fencing of tourism lands Gazetting of forests; Continued maintenance of access roads; provision of electricity; Restore forest to original state; Development of cultural and forests site;

MTEF Sector	Sub-sector	Link to national/County functions	Issues/Problem	Causes	Development Objectives	Immediate objectives	Potential strategic policy thrusts
							Establishment of a museum and build tourist hotels through PPP
	Industry	County/national function	Lack of affordable credit for trade and industrial development	Inadequate funds	To improve on the welfare of traders	To create employment	Mobilize for funds from development partners Establish terrazzo industry Construct an avocado processing plant at Gambogi.
Health	Health	County/national function	Inadequate Health Services	Shortage of staff; Inadequate equipment & supplies Lack of relevant skills in HIV/AIDS	Increase medical and public health services by 60per cent by 2017	Improve health service at health facilities by 20 per cent every year.	Employ more personnel Improve on supplies and equipment.
Education		County/national function	Poor Access to Quality Education	Shortage of staff; Inadequate classrooms High cost of education Inadequate learning materials poor management of schools	Improve access to quality education	Construct more classrooms Source for more learning materials; Provide and train school management Establish university mismanagement of schools by committees	Increase staffing; Provide adequate facilities.
Governance, Justice, Law and Order	Police Service	National function	Insecurity	Inadequate personnel; inadequate police posts and patrol vehicles	To create a conducive environment for investment	To put up more police posts	Increase funding to the sub-sector; enhance community policing.
	Judiciary	National function	Poor access to justice	Inadequate funds	To improve access to justice	To establish more law courts	Build a court at Emuhaya; build high court within the County hire more judicial officers establish a children court Build a juvenile remand home within the County.
Public Administration and International Relations	County Planning	National function	Lack of a centralized data system	Inadequate funds	To improve access to information	To put up a centralized data system	Mobilize for funds through PPP.

MTEF Sector	Sub-sector	Link to national/County functions	Issues/Problem	Causes	Development Objectives	Immediate objectives	Potential strategic policy thrusts
Social Protection, Culture and Recreation	Youth and Sports	County/national function	Unemployment	Inadequate employment opportunities	To improve on the living standards	To put up a talent academy and sports stadia	Harness youth potential through creative arts and mobilize for funds.
	Culture		Untapped culture potential	Inadequate funds	To improve on tourism	To identify and preserve cultural sites	Conserve all cultural sites and mobilize for funds.
Environmental Protection, water and sanitation	Environment	County function	Environmental degradation	Population pressure	To conserve the environment	To Protect all water catchment areas	Promote agro-forestry and afforestation.
	Water and Sanitation	County function	Lack of infrastructure for solid waste management	Inadequate land	Properly manage solid waste disposal	To identify suitable land for solid waste disposal	Mobilize for funds; Outsource services

GLOBAL AND REGIONAL ECONOMIC DEVELOPMENTS

According to the Budget Policy Statement (BPS) 2018 draft copy, global activities that started in 2016 gathered pace in the first half of 2017 supported by notable improvements in investment, trade, and industrial production, coupled with strengthening business and consumer confidence. As such global growth is projected to increase to 3.8 percent in 2018 from 3.6 percent in 2017 and 3.2 percent in 2016 primarily driven by improving domestic demand in advanced economies and China and improved performance in other emerging market economies.

In advanced economies, growth is expected to pick up to 2.2 percent in 2017, up from 1.7 percent in 2016 reflecting stronger activity in the United States, Canada, the Euro area, and Japan. However, this growth is expected to slow down to 2.0 percent in 2018 mainly reflecting a slowdown in Japan and the euro area. On the upside, the US economy is projected to expand to 2.3 percent in 2018 up

from a projected 2.2 percent in 2017, as a result of supportive financial conditions and strong business and consumer confidence.

Among emerging market and developing economies, higher domestic demand in China and continued recovery in key emerging market economies supported growth in the first half of 2017. Growth in emerging and developing economies is projected to increase from 4.3 percent in 2016 to 4.6 percent in 2017 and 4.9 percent in 2018. The projected growth is driven primarily by the strengthening of growth in commodity exporters; a gradual increase in India's growth rate and a lower but still high trend growth rate in China.

The broad-based slowdown in sub-Saharan Africa is easing and growth is expected to improve from 1.4 percent in 2016 to 2.6 percent in 2017 and further to 3.4 percent in 2018, partly supported by a recovery in growth of larger commodity exporters such as Nigeria and South Africa. In addition, the easing of drought conditions in the Eastern and Southern Africa have contributed to the positive outlook. However, downside risks have increased following policy uncertainties and delays in the implementation of policy adjustments in Nigeria and South Africa. Many of the faster growing economies in sub Saharan African economies continue to be driven by public spending, with debt levels and debt service costs rising

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In the East African Community (EAC) region, economic growth is estimated to stabilize at 5.4 percent in 2016 and 2017, a slowdown from a 6.1 percent growth in 2015. The prolonged effect of drought experienced in 2016 and continued in 2017, dampened agricultural output and GDP growth in Uganda, Tanzania and Rwanda. In addition, there was a slowdown in credit growth across countries in the region, which further dampened the growth. Further, insecurity and political tensions continued to constrain economic activities in countries such as Burundi, Somalia, and South Sudan. In 2018, economic growth is projected to increase to 5.9 percent supported by a stable macroeconomic environment, ongoing infrastructure investments, and strong private consumption.

DOMESTIC ECONOMIC DEVELOPMENTS

Growth of the Kenyan economy remained resilient, broad based and registered strong performance in the past 5 years supported by strong public and private sector investment and appropriate economic and financial policies. The economy, specifically, grew at an average of 5.5 percent per year in the five years (2013 - 2017) outperforming the average growth rate of 4.7 percent in the period 2008 to 2012. The value of goods and services produced therefore raised the per capita income from Ksh 104,700 in 2013 to an estimated Ksh 174,200 in 2017. The economy generated an average of 817.0 thousand new jobs per year in the period 2013 - 2017 up from 656.5 thousand jobs per year in the period 2008-2012.

However, uncertainty associated with elections coupled with the effects of adverse weather conditions slowed down the performance of the economy in 2017. As a result, the economy is estimated to grow by 4.8 percent in 2017, which is a slowdown from the estimated growth of 5.1 percent in the 2017 Budget Review and Outlook Paper (BROP).

In 2017, the economy grew by 4.4 percent in Quarter 3, 5.0 percent in Quarter 2, and 4.7 percent in Quarter 1, largely supported by robust activities in the service sectors particularly; accommodation and restaurant; real estate and information and communication. The growth was somewhat constrained by subdued performances in agriculture forestry and fishing, manufacturing, electricity and financial intermediation sectors.

The resilient strong growth of the economy over the past five years reflects the broad-based nature of our economy that has been largely driven by growth in the non-agriculture sectors. The non-agricultural sector has remained vibrant growing at 6.7 percent in 2016 from 5.4 percent in 2013 and continues to be the main source of growth.

Inflation Rate

Inflation rate has been low, stable and within the Government target range of 5 and -2.5 percent in the period 2013 to 2017 as a result of prudent monetary and fiscal policies. Inflation averaged 6.7 percent in the period (2013-2017) compared with 7.4 percent in the period (2002-2007), 10.6 percent in the period (2008-2012) Inflation during the period 2008 to 2012 was highly volatile following a steep depreciation of the Kenya shilling exchange rate and policy responses.

However, inflation increased to above target in the first half of 2017 due to drought that affected food prices. Inflationary pressures started to ease in the second half of 2017 as the weather situation improved and earlier measures taken by the Government to address the food shortages took effect. These measures included: allowing duty free imports of major food items (maize, wheat, sugar, and milk) and introducing a temporary subsidy on maize meal prices. As a result, overall month on month inflation was 4.5 percent in December 2017 from 6.4 percent in December 2016, and was within the Government's target range.

Kenya Shilling Exchange Rate

The Kenya Shilling exchange rate remained broadly stable against major international currencies. As at December 2017, the shilling exchange rate against the Dollar was at Ksh 103.1 from Ksh 102.1 in December 2016. Against the Euro and the Sterling pound, the Shilling weakened to Ksh 122.0 and Ksh 138.2 in December 2017 from Ksh 107.7 and Ksh 127.7 in December 2016, respectively.

The Kenya Shilling exchange rate as compared to most sub-Saharan African currencies, has continued to display relatively less volatility. This stability reflected resilient receipts from tea and horticulture despite lower export volumes due to adverse weather conditions in the first quarter of 2017. Additionally, receipts from tourism, coffee exports and Diaspora remittances remained strong.

Interest Rates

Interest rates remained stable and low in the period 2013-2017 except June – December 2015 when world currencies were under pressure. During the period, the policy rate (Central Bank Rate) was adjusted appropriately to anchor inflation expectations. The rate is currently (January 2017) at 10.0 percent since August 2016. The interbank rate has remained low at 7.7 percent in December 2017 from 5.9 percent in December 2016 due to ample liquidity in the money market, while the 91-day Treasury bill rate declined to 8.0 percent from 8.4 percent over the same period. The 182 day and the 364 day Treasury bills averaged 10.6 percent and 11.1 percent in December 2017 from 10.5 percent and 11.0 percent in December 2016, respectively.

CHAPTER TWO: FISCAL PERFORMANCE IN FY 2016/17 AND EMERGING CHALLENGES

Overview of Fiscal performance

Implementation of the budget for FY 2016/17 progressed well despite the numerous challenges experienced by the County Government. In addition to delays in release of revenues from the National Government, the Department of Finance and ICT in her revenue collection fell short of the set target. These two combined effects disrupted the smooth flow of funds for development and the general government operations. It's also expected to have a significant impact on the economic performance of the County due to low absorption of funds.

Overview of the FY 2016/17 Budget

The County's FY 2016/17 Approved Supplementary Budget was Kshs.5.04 billion, comprising of Kshs.3.53 billion (70 per cent) and Kshs.1.51 billion (30 per cent) allocation for recurrent and development expenditure respectively.

To finance the budget, the County expected to receive Kshs.4.18 billion (82.8 per cent) as equitable share of revenue raised nationally, Kshs.150.74 million (5.5 per cent) as total conditional grants, generate Kshs.220 million (4.4 per cent) from local revenue sources, and Kshs.367.41 million (7.3 per cent) cash balance from FY 2015/16. The conditional grants comprised of Kshs.66.47 million (24.1 per cent) for Free Maternal Healthcare, Kshs.64.18 million (23.3 per cent) from the Road Maintenance Fuel Levy Fund, Kshs.13 million (4.7 per cent) for User Fees Foregone, Kshs.7.09 million (2.6 per cent) from DANIDA and Kshs.125.19 million (45.4 per cent) as Other Loans.

REVENUE PERFORMANCE FOR 2016/17

Own revenues

The mandate to impose taxes and charges by the County governments is drawn from the Constitution article 209 (3). They include:

- i. property taxes;
- ii. entertainment taxes
- iii. Or any other tax or charges authorized by the Vihiga County Finance Act.

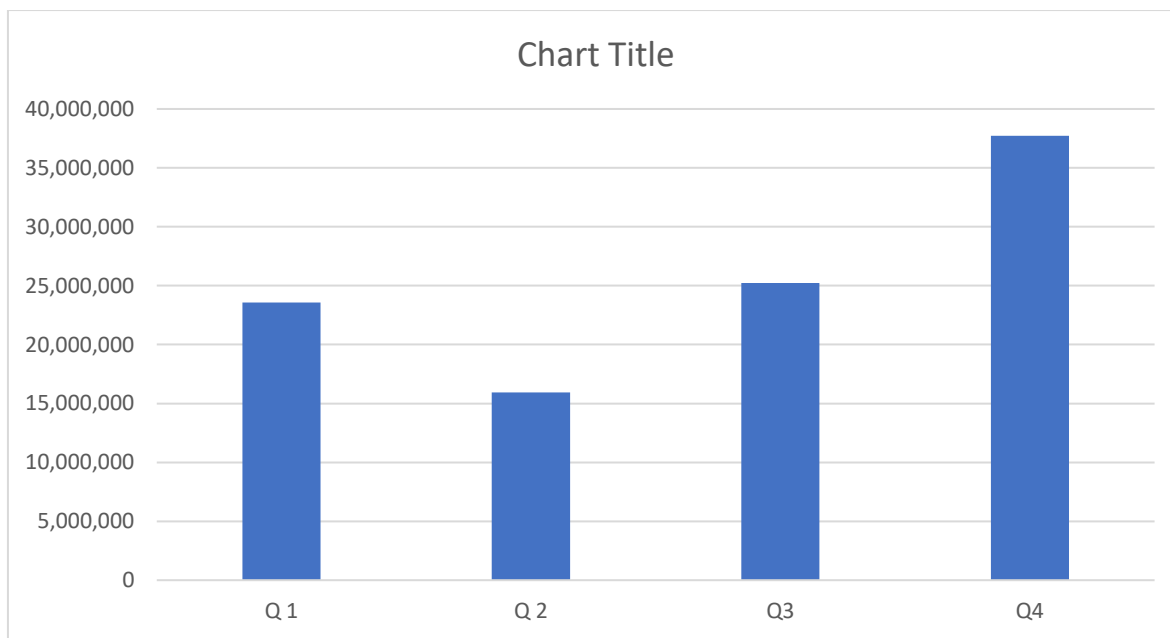
During the year 2016/17, the County collected Kshs.102.45 million from local revenue sources against a target of Kshs.220 million representing a decrease of 26.24 per cent compared to Kshs.138.9 million generated in FY 2015/16. and represented 46.57 per cent of the annual local revenue target of Kshs.220 million.

Table 1: County Own Revenue Analysis by Quarterly collection 2016/17

Annual local revenue target FY 2016/17 (Kshs.)	1st Quarter, FY 2016/17 Local Revenue (Kshs.)	2nd Quarter, FY 2016/17 Local Revenue (Kshs.)	3rd Quarter Local, FY 2016/17 Revenue (Kshs.)	4th Quarter Local, FY 2016/17 Revenue (Kshs.)	FY 2016/17 Total Local Revenue (Kshs.)	% of Local Revenue Against Annual Local Revenue Target
220,000,000	23,560,000	15,947,000	25,223,000	37,715,789	102,445,789	46.57

Source: County Treasury

Graph 1: Trend of County Own Revenue Collection 2016/17



County Own Revenue collection per source (stream) 2016/17

REVENUE STREAM	TOTAL COLLECTION
RENTAL INCOME	252,875.00
LAND BOUNDARY DISPUTES	447,160.00
SINGLE BUSINESS PERMITS	13,585,701.00
LIQUOR LICENSE	1,151,500.00
SIGN BOARDS; PROMOTIONS	1,201,405.00
PLOT\SITE\STALL RENT	2,199,551.00
LAND RATES	553,921.00
MISCELLANEOUS INCOME	105,980.00
FERTILIZER (SUBSIDIZED)	8,214,220.00
LEASE \HIRE OF MACHINES	572,411.00
MARKET\TRADE	13,658,968.00
VEHICLE PARKING AND BUSPARK	33,256,850.00
PUBLIC HEALTH SERVICE	1,842,605.00
FACILITY IMPROVEMENT FUND	14,888,169.00
WATER SUPPLY FEE	1,373,840.00
SLAUGHTER MANAGEMENT FEES	255,980.00
BUILDING PLAN APPROVAL	356,770.00
SAND\MURRAM	78,900.00
FINES, PENALTIES AND FORFEITURE	81,198.00
TEA CESS	6,670,881.00
LIVESSTOCK CESS	1,688,104.00
NOISE EMISSION	8,800.00
TOTAL	102,445,789.00

Disbursement from Exchequer

During the year FY 2016/17, the County received Kshs.4.18 billion as equitable share of the revenue raised nationally, Kshs.211.4 million as total conditional allocations,

In summary

The table below shows the expected and actual total County revenue in FY 2016/17

NO	REVENUE SOURCE	EXPECTED REVENUE (Kshs.)	ACTUAL REVENUE (Kshs)
1	National share	4.18 billion	4.18. billion
2	Conditional allocation	150.74 million	117.59 million
3	Local sources	220 million	102.45 million
4	CBF	367.41million	367.41 million

EXPENDITURE PERFORMANCE FOR 2016/17

Overall Expenditure Review

The County spent Kshs.3.72 billion, which was 86.3 per cent of the total funds released for operations.

This was an increase of 23.6 per cent from Kshs.3.01 billion spent in FY 2015/16.

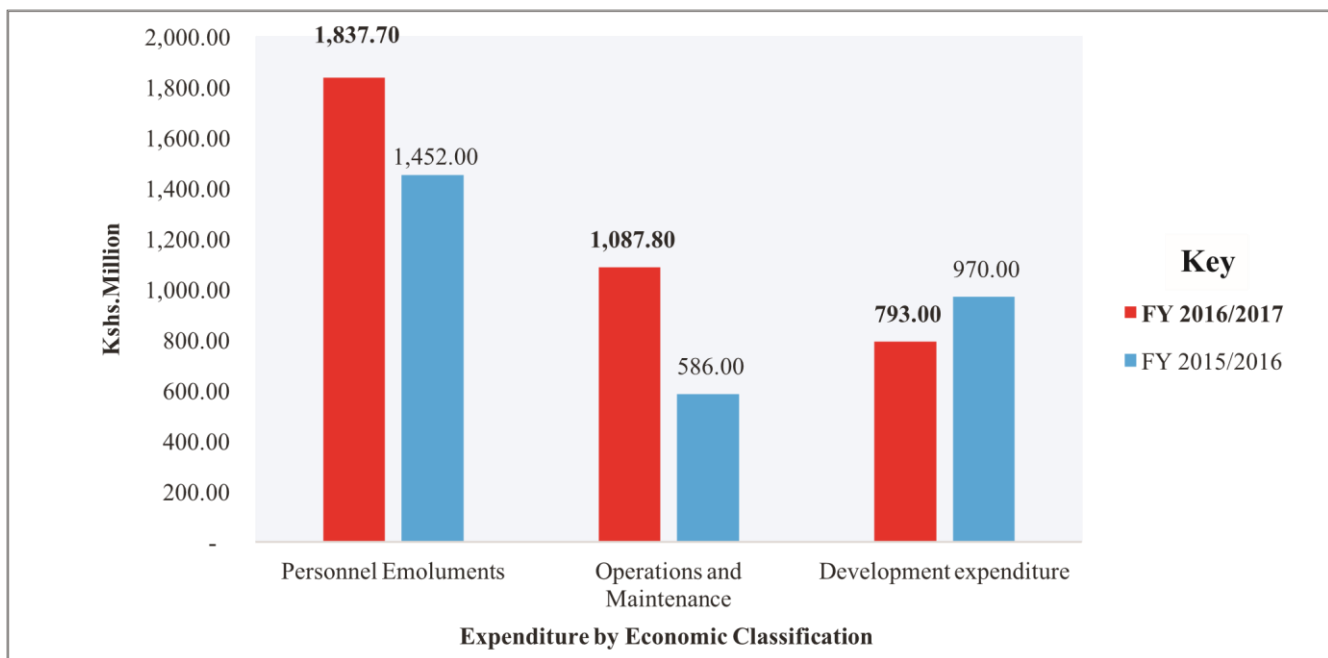
A total of Kshs.2.93 billion was spent on recurrent activities, while Kshs.793.12 million was spent on development activities. The recurrent expenditure was 89.1 per cent of the funds released for recurrent activities while development expenditure accounted for 77.5 per cent of the funds released for development activities.

The recurrent expenditure represented 82.9 per cent of the annual recurrent budget, an increase from 74.8 per cent spent in FY 2015/16. Development expenditure recorded an absorption rate of 52.5 per cent, which was a decrease from 59.1 per cent attained in FY 2015/16.

County Budget Allocation, Expenditure and Absorption Rate for FY 2016/17

Budget Estimates (Kshs.Million)			Expenditure (Kshs.Million)			Recurrent Absorption Rate (%)	Development Absorption Rate (%)	Overall Absorption Rate
Rec	Dev	Total	Rec	Dev	Total			
A	B	C=A+B	D	E	F=D+E	$G=D/A$ $*100$	$H=E/B *100$	$I=F/C *100$
3,529.59	1,511.05	5,040.64	2,925.55	793.12	3,718.68	82.9	52.5	73.8

Vihiga County, Expenditure by Economic Classification in FY 2015/16 and FY 2016/17.

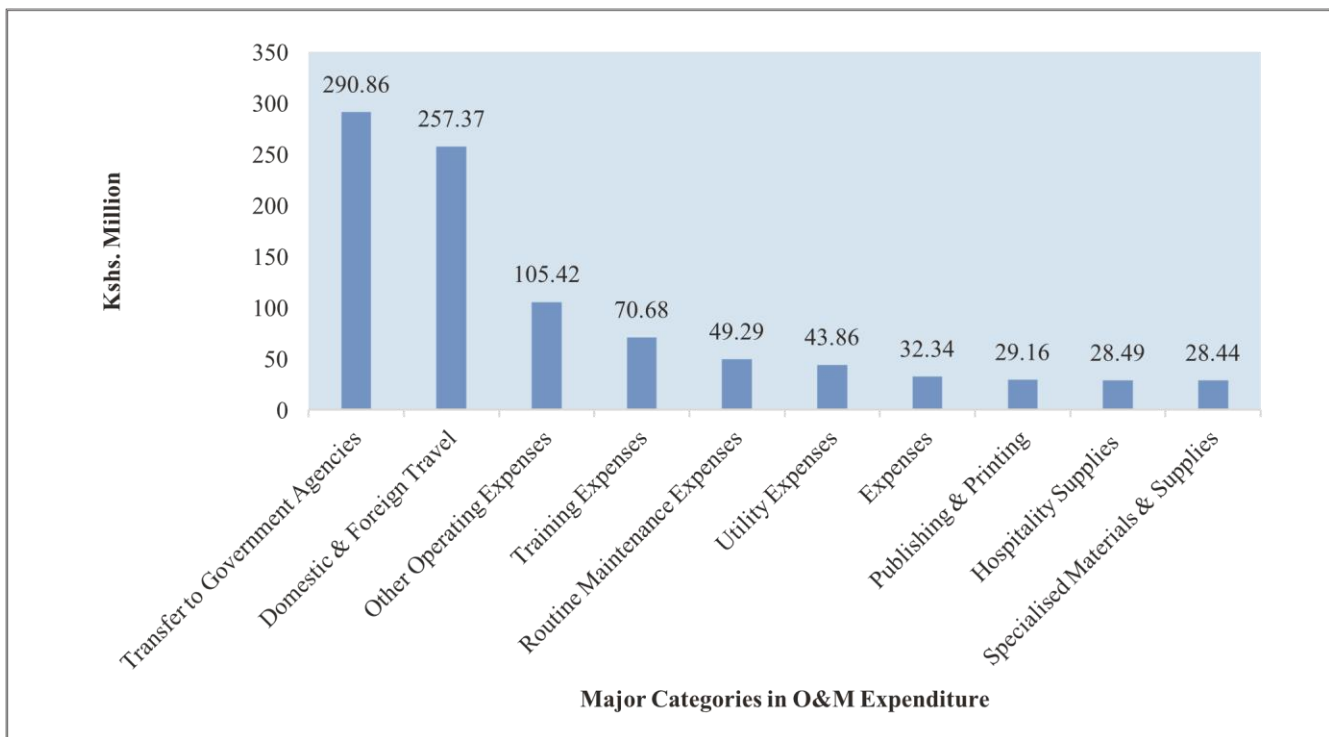


Source: Vihiga County Treasury

Recurrent Expenditure

The total recurrent expenditure of Kshs. 2,925.558 Million consisted of Kshs.1,837.70 Million (62.8 per cent) spent on personnel emoluments and Kshs.1,087.80 Million on operations and 793.00 Million on maintenance as shown in Figure above. Expenditure on personnel emoluments represented an increase of 26.2 per cent compared to FY 2015/16 when the County spent Kshs.1.45 billion.

Vihiga County, Operations and Maintenance Expenditure by Major Categories for FY 2016/17.



Source: Vihiga County Treasury

Budget and Budget Performance Analysis by Department

Vihiga County, Budget Performance by Department in FY 2016/17

Department	Annual Budget Allocation (Kshs. Million)		Exchequer Issues in FY 2016/2017 (Kshs. Million)		Expenditure in FY 2016/2017 (Kshs. Million)		FY 2016/17 Expenditure to Exchequer Issues (%)		FY 2016/17 Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock, Fisheries	125.89	57.60	125.89	53.66	101.61	3.23	80.7	6.0	80.7	5.6
Lands, Housing & Physical planning	57.53	28.46	57.53	28.45	40.75	1.65	70.8	5.8	70.8	5.9
Transport & Infrastructure	105.63	490.07	105.63	359.15	69.48	344.79	65.8	96.0	65.8	70.4
Trade & Tourism	51.84	36.2	51.84	32.72	32.70	18.90	63.1	57.8	63.1	52.2
Health Services	1,030.06	223.65	1,030.06	148.44	782.88	103.75	76.0	69.9	76.0	46.4
Education, Science & Technology	329.77	138.92	136.22	107.1	328.76	36.79	241.3	34.4	99.7	26.5
County Executive	258.22	45	258.22	-	252.48	-	97.8	-	97.8	0
County Assembly	533.77	115	533.77	61.37	512.08	89.42	95.9	145.7	95.9	77.8
Finance & Economic planning	242.62	230.17	242.62	104.59	209.76	139.84	86.5	133.7	86.5	60.8
County Public Service Board	61.99	-	61.99	-	43.32	-	69.9	-	69.9	-
Administration and Coordination of County Affairs	465.05	15	465.05	15	380.22	15.15	81.8	101.0	81.8	101
Gender, Culture, Youth & Sports.	205.20	51.05	158.48	51.05	124.42	13.49	78.5	26.4	60.6	26.4
Environment, Water Energy, And Natural Resource.	62.02	79.93	62.02	79.93	47.19	26.12	76.1	32.7	76.1	32.7
TOTAL	3,529.59	1,511.05	3,289.32	1,023.73	2,925.55	793.12	88.9	77.5	82.9	52.5

Source: Vihiga County Treasury

FISCAL PERFORMANCE FOR THE FIRST HALF OF FY 2017/18

The current budget implementation; (FY 2017/18) has progressed well despite the numerous challenges experienced by the County Government.

Overview of the FY 2017/18 Budget

The County's FY 2017/18 Approved Budget was Kshs 4.79 billion, comprising of Kshs 3,35 billion and Kshs. 1,44 billion allocations for recurrent and development expenditure respectively.

To finance the budget, the County is expecting to receive Kshs 4,38 billion as equitable share of revenue raised nationally, Kshs184.7 million as total conditional grants, generate Kshs.220 million from local revenue sources. The conditional grants comprised of Kshs.69.8 million for Free Maternal Healthcare, Kshs.67.39 million from the Road Maintenance Fuel Levy Fund, Kshs.13.66 million for User Fees Foregone, Kshs.7.09 million from DANIDA and Kshs. 26,78 million as Other Loans and Grants.

FY 2017/18 Approved Budget Revenue Estimates

VOTE and programme Title	RESOURCE ENVELOPE 2017/18
Equitable share	4,386,168,046
Compensation for use fees	13,652,898
Free maternity health care	69,793,305
Road Maintenance Fuel Levy Fund	67,393,443
Loans and grants (DANIDA)	7,085,000
Own resources	220,000,000
Kenya Devolution Support Programme	26,782,785
Total	4,790,875,477

REVENUE PERFORMANCE FOR THE FIRST HALF OF 2017/18

Own revenues

By the end of December 2017, total cumulative revenue amounted to Ksh 41,889,107.00, against a target of Ksh 110,000,000 for half year. This is only 19 % of the budgeted revenue for the whole year. The underperformance in revenue from own sources is attributed to non-implementation of the Finance Act fully and failure to seal revenue leakages.

COUNTY OWN GENERATED REVENUE PERFORMANCE FOR JULY 2017 TO DECEMBER 2017

PARTICULARS	1st quarter 2017/18FY			2nd quarter 2017/18FY			total
	July	August	September	October	November	December	
RENTAL INCOME	7,500	12,500			42,500	27,500	90,000
LAND BOUNDARY DISPUTES	40,000	10,000	50,000	55,000	53,000	35,000	243,000
SINGLE BUSINESS PERMITS	323,320	154,740	326,255	171,235	296,770	400,315	1,672,635
LIQUOR LICENSE	1,486,921	469,536	495,200	262,620	290,500	25,000	3,029,777
LAND RATES	48,600	1,165	4,500	1,320	1,000	3,230	59,815
SIGN BOARDS; PROMOTIONS	5,440	15,000	14,000	200,500	12,500	30,000	277,440
PLOT\SITE\STALL RENT	90,340	240,565	193,600	110,960	238,450	222,445	1,096,360
LEASE \RENTAL OF MACHINES	515,700	-	120,375	51,400	288,920	40,700	1,017,095
MARKET\TRADE	1,082,840	882,740	1,068,760	973,005	1,084,080	1,218,710	6,310,135
VEHICLE PARKING	2,688,600	2,268,880	2,604,360	2,248,210	2,576,580	3,395,530	15,782,160
PUBLIC HEALTH SERVICE	5,900	116,500	149,010	207,750	26,150	60,900	566,210
SLAUGHTER MANAGEMENT FEES	17,060	15,750	19,100	107,710	58,210	21,060	238,890
WATER SUPPLY admn FEE	46,500	23,300	24,000	31,000	71,250	120,000	316,050
BUILDING PLAN APPROVAL	20,000	18,500	22,000	11,500	21,800	7,500	101,300
SAND\MURRAM	4,700	5,500	5,700	6,700	6,900	7,600	37,100
FINES, PENALTIES AND FORFEITURE	110	220	-	12,965	33,725	10,064	57,084
LIVESTOCK CESS	225,989	328,004	193,275	208,000	105,230	37,650	1,098,148
FACILITY IMPROVEMENT FUND	609,999	298,556	582,387	523,219	2,570,410	3,265,339	7,849,910
NOISE EMISSION	2,200	4,200	18,800	8,800	11,000	26,400	71,400
REGISTRATION OF GROUPS	3,000	21,750	13,000	9,500	15,250	12,750	75,250
APPLICATION FEES,S.B.P				25,000	12,500	16,000	53,500
MISCE INCOME	13,740	9,000	29,439	14,520	1,516,140	777,457	2,360,296
INSPECTION				4,000			4,000
HIRE OF HALL				2,000	10,000		12,000
PLAN APPLICATION FEES				1,500		16,000	17,500
TOTAL	7,238,459	4,896,406	5,933,761	5,248,414	9,342,865	9,777,150	42,437,055
Transmission to exchequer	7,077,648	5,742,397	-	11,290,630	8,788,060	8,990,373	41,889,108

Disbursement from Exchequer

During the half year of 2017/2018, the County Government has received a total of Kshs. 1,855,068,055 as shown in table below.

COUNTY DISBURSEMENT FROM EXCHEQUER FOR JULY 2017 TO DECEMBER 2017

	Sep (Q1)	Dec (Q2)	Cumulative Amount
	Kshs	Kshs	Kshs
RECEIPTS			
Equitable Share (Exchequer releases)	308,644,000	1,124,346,000	1,432,990,000
Proceeds from Foreign Grants / Development Partners	0	34,289,080	34,289,080
Road Maintenance Fuel Levy Fund	76,928,280	0	76,928,280
County Own Generated Revenues	12,820,045	29,069,062	41,889,108
Unspent funds	533,251,324	268,971,587	268,971,587
TOTAL RECEIPTS	931,643,649	1,456,675,730	1,855,068,055

Source: County Treasury

County Expenditure

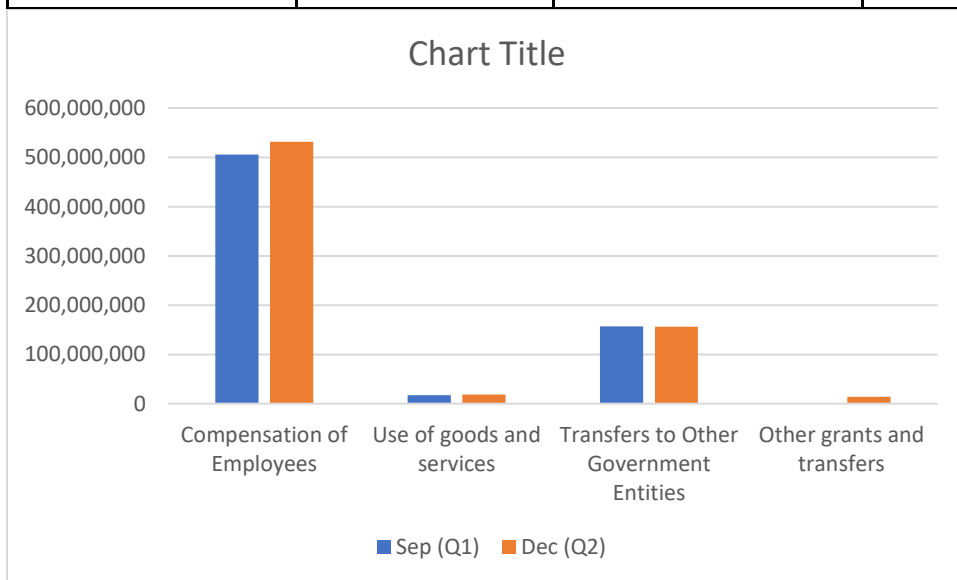
The total expenditure for financial year 2017/2018 is expected to be Kshs 4.79 billion This comprises of total recurrent and development budgets of Ksh. 3,35 billion and Ksh1,44 billion respectively. The total actual recurrent expenditure and development expenditure for the period under review (half year) is at Kshs1,251 billion. and Ksh 0.00 respectively, which represents 26 per cent of the total approved budget.

PAYMENTS	Budget Q2 2017	Actual Q2 2017	Budget utilization difference	Budget cumulative to date	Actual cumulative to date	Budget utilization difference
Compensation of Employees	263,541,989.00	531,536,257.30	(267,994,268.30)	527,083,978.00	1,037,074,676.30	(509,990,698.30)
Use of goods and services	410,998,610.00	18,203,475.00	392,795,135.00	821,997,220.00	35,489,335.00	786,507,885.00
Transfers to Other	0.00	156,448,410.00	(156,448,410.00)		156,448,410.00	(156,448,410.00)

Government Entities						
Other grants and transfers					528,485.00	(528,485.00)
Social Security Benefits	11,338,716.00	21,393,726.00	(10,055,010.00)	22,677,432.00	21,393,726.00	1,283,706.00
Acquisition of Assets						
Other Payments						
TOTAL	685,879,315.00	727,581,868.30	(41,702,553.30)	1,371,758,630.00	1,250,934,632.30	120,823,997.70

COUNTY EXPENDITURE FOR JULY 2017 TO DECEMBER 2017

PAYMENTS	Sep (Q1)	Dec (Q2)	Cumulative Amount
Compensation of Employees	505,538,419	531,536,257.30	1,037,074,676.30
Use of goods and services	17,285,860	18,203,475.00	35,489,335
Transfers to Other Government Entities	156,536,748	156,448,410.00	312,985,158
Other grants and transfers	528,485	13,950,000.00	14,478,485
TOTAL PAYMENTS	679,889,512	720,138,142.30	1,400,027,654.30

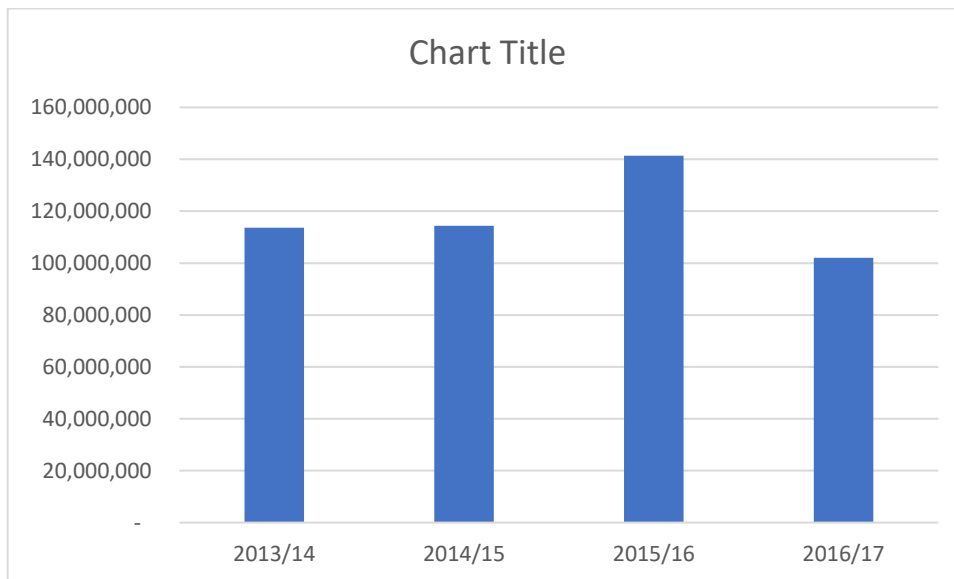


EMERGING ISSUES AND CHALLENGES ON FISCAL PERFORMANCE

A. COUNTY OWN SOURCE REVENUE (OSR)

Local Revenue collection or OSR decreased in the FY 2016/2017 affecting compliance of the Fiscal Strategy Paper. The County performed extremely bad in OSR for FY 2016/17 as compared to FY 2015/16

Comparison of OSR for FY 2016/17 with other previous year's performance



Some of the imaging issues and challenges affecting ORC include the following:

1. Property rates

The County has experience weak and inconsistent performance of property tax revenues

Property rates is a tax based on the value of property (including land) and is usually assessed by a rating authority with help from a value.

To give effect to Article 209(3) of the Constitution, County Government has enacted property rating and valuation legislation. Valuation rolls should be prepared or updated

every 10 years, but this has never been achieved. Supplementary valuation rolls may be prepared more regularly e.g. in case of significant changes in ownership and land use.

2. *Contribution in Lieu of Rates (CILOR)*

Since devolution, Vihiga County Government (all Counties in Kenya) have not received CILOR payments from the National Government. This can be attributed to First, the legal basis for making CILOR claims is undermined by the widespread lack of up-to-date valuation rolls and legislation to support imposition of property rates. Secondly, administrative guidelines on post-devolution CILOR claims processes have not been clarified and County administrations are unfamiliar with payment procedures.

3. *Land rent*

Land rent is collected on land owned by County Government in various markets and trading centres. Land rent is charged on annual basis. Vihiga County Governments have not been able to optimize land rent. There is lack of clarity concerning collection of land rent for County Governments. Whereas NLC under section 28(1) of the Land Act (2012) is mandated to collect land rent on rental properties and all payments on behalf of the County Governments.

4. *Entertainment tax*

The Constitution assigns to County Governments powers to impose entertainment taxes (*Article 209(3)(b)*) and regulate public entertainment, including betting, casinos and other forms of gambling, as well as cinemas and video shows and hiring, among others activities (*Fourth Schedule; Part 2; 4*). The Constitution also assigns to the National Government powers to regulate national betting, casinos and other forms of gambling. (*Fourth Schedule; Part 1; 34*).

Administration of entertainment taxes in the devolved context is complicated by ambiguous unbundling of functions and licensing responsibilities between the two levels of

Government. However, mediation has taken place between the two levels and the agreed framework is pending implementation because it has not been re-submitted in court or ingrained in legislation.

5. Liquor licensing fee

In 2010, the Liquor Licensing Act was replaced with the Alcoholics Drinks Control Act No. 4, although this does not give to County Governments powers of enforcement. This Act established in each district an Alcoholic Drinks Regulation Committee, responsible for issuance of licenses for brewing, wholesale and retail of alcoholic drinks. The Act established the:

- i) National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) as the public body or department responsible for matters relating to alcoholic drinks; and,
- j) ii) Alcoholic Drinks Control Fund, consisting of such license and other fees as may be payable under the Act. License categories and fees applicable under each category were defined in the Alcoholic Drinks Control (Licensing) Regulations, 2010. Under the Act, enforcement of non-compliance with liquor licensing regulations is not controlled by County Governments which are constitutionally mandated.

County Government is expected to amend or repeal the developed liquor licensing legislation, to provide for the licensing and control of production, distribution, sale and consumption of alcoholics' drinks, as well as control of outdoor advertisements of alcoholic drinks and promotion of primary healthcare and a local schedule. NACADA is providing training and technical assistance to County officials in enforcement of these matters.

6. Agriculture produce cess

Cess is a levy on tradable agricultural produce imposed previously by Local Authorities on the basis of the Agriculture Act (Cap 318) and the Local Governments Act (Cap 265). The Act enabled LAs to enact by laws requiring any person -- whether within or outside the area of jurisdiction of the authorities -- who buys or markets on behalf of a producer of agricultural produce on which cess is payable, and on which no cess has been paid, to deduct from the money payable to the seller an amount equal to cess payable on the produce, and to remit the amount to the authority to whom the cess is payable.

In the post-devolution period, cess collection is not guided by any clear policy, legal and regulatory frameworks. The constitution does not explicitly define cess among main tax categories that County Governments may impose. In addition, the Agriculture Act on which basis cess was previously imposed has been repealed by the Agriculture Fisheries and Food Authority (AFFA) Act (2013), which consolidates laws on regulation and promotion of agriculture. Moreover, the High Court has prohibited County Governments from levying agricultural produce cess or related tax until they enact appropriate revenue laws

Numerous challenges and ambiguities surround administration of cess by County Governments. These include:

- i) the indiscriminate list of commodities for which cess payment is now required, including manufactured goods in transit through and/or across County boundaries;
- ii) collection of cess both at source (e.g. at farm gate in the case of agricultural produce and at production point in the case of manufactured goods) and at point of exit from the County; and,

- iii) iii) levying of cess on natural products and/or extractives (e.g. sand, building stones and timber) that should ideally be charged under legal provisions for royalties.

7. Licensing of outdoor advertising

Licensing of outdoor advertising in Kenya is contentious, and sometimes without clear policy direction. Before devolution, many licenses imposed by LAs (e.g. branding, banners, signage on bus shelters and company premises as well as billboards) were perceived by private sector to be “burdensome”, “annoying” and having “extremely high impact” on trade. The perception is not any different today

There is contention between the two levels of Government over who should control outdoor advertising and how. For instance, the Kenya National Highways Authority (KeNHA) wants to charge owners of billboards erected along the highway within the county.

Challenges of revenue administration and management

Absence of revenue policies and legislation

Vihiga County Government is yet to enact or operationalize all the required legislation to underpin revenue-raising measures. Through annual Finance Acts, we have promulgated fee regimes inherited from LAs. The departments are encouraged to develop revenue legislations affecting their ability to collect and enforce

Human resources capacity and enforcement issues

Majority of County Government revenue administrators lack basic skills for the function, a key factor behind poor enforcement strategy. Majority of County revenue personnel were inherited from defunct LAs, and many lower cadre revenue clerks and collectors were ancillary personnel under the authorities. These personnel have scant knowledge of

revenue laws. This skills and knowledge deficit comes to bear in all revenue-related operations, but most dramatically where collection and enforcement are concerned. slow integration of staff inherited from the LAs and those from devolved former ministries;

8. *Low automation and integration of revenue administration*

Generally, adoption of ICT systems progress has been slow towards automation and integration of revenue administration. Manual revenue collection is prevalent with its inherent risks of abuse and rent seeking. The County needs to put more efforts in integrating and automating all revenue streams for effective revenue management

9. *Lack of effective internal controls and audit mechanisms*

Lack of effective internal controls and audit mechanisms by County Government contributes to loss of revenue. Examples of gaps in internal controls and audit processes include: postponed banking of collected revenues; late bank reconciliations; non-rotation of staff in revenue departments as well as allocation of duties among staff in ways that do not enable checks and balances; and, production by revenue officers of duplicate accountable documents such as receipt books.

10. *Cash handling*

More than 80 percent of revenue collected is paid in cash on a daily basis, a situation which presents obvious risks in terms of accountability. Whereas some of the activities forming the basis for these collections may warrant the need for daily cash collections, this model of revenue management is risky and prone to leakage.

DISBURSEMENT FROM EXCHEQUER

The exchequer release for FY 2016/17 on recurrent was 93% which is every high though some of the funds are released at almost year end making its utilization difficult. Development Funds

release was low at 67.7%. This can be attributed to factor like lack of appropriate legislation to allow access to certain funds like the elderly fund in the executive department. Delay in rolling out programme on time to be eligible for payment within the year.

However, during the Half year period for 2017/18 the County Government has received a total of Kshs. 1,855,068,055 which is all recurrent and 38.7 per cent of total revenue expected.

This shows that no development expenditure has been requested within the half year period.

A. RECURRENT EXPENDITURE

Total recurrent expenditure of Ksh 2,925,554,952 consisted of Ksh 1,657,005,914 spend on personnel emoluments and Ksh 1,268,549,038 on operations and maintenance. Which is 58 per cent for total recurrent expenditure and 32.8 percent on personnel and 25.2 per cent on both operations and maintenance. this shows that more is spent on personnel emolument and very little on maintenance. Absorption rate on recurrent budget in the year 2015/16 was 81 percent and the year 2016/17 is 82 percent which represents an increase in absorption. Notably department of Education Science and Technology which had the highest absorption rate of 99.96 percent compared to the pre4vious year which had absorption rate of 79 percent. This can be attributed to the increase in the bursary fund allocation. Increase in absorption can also be attributed to their structured disbursements from Nation Treasury to County Government. For instance, disbursements for County assembly are released directly to their exchequer account.

However, the County government has not been able to absorb 100 percent due to the following reasons;

- a) Underfunding of budget due to late disbursement from national treasury and under collection of local revenue.

- b) Lack of the required regulations to enable access to funds that are put aside for activities like elderly fund.
- c) Challenges related to system for instance; delay in approving the budget and uploading in the system, delay in approving work plans and procurement plans.

The total actual recurrent expenditure for the FY 2017/18 half year is at Kshs 1,400,027,654, which represents 41.8 per cent of the recurrent approved budget. Compensation of Employees expenditure is Kshs. 1,037,074,676 which is 56.5 per cent of the Compensation of Employees approved budget. It therefor emerges that the budget for Compensation of Employees is not adequate and therefore the need to provide for adequately through a supplementary budget

COUNTY BUDGETED AND ACTUAL EXPENDITURES FOR JULY TO DECEMBER 2017

VOTE ITEM	APPROVED BUDGET	ACTUALS UPTO DECEMBER 2017	% OF VOTED BUDGET
Compensation to Employees	1,828,745,127	1,037,074,676	56.7
Other Recurrent	1,517,545,412	362,952,978	23.9
Total Recurrent	3,346,290,539	1,400,027,654	41.8
Development	1,444,584,938	0	-
TOTALS	4,790,875,477	1,400,027,654	41.8

DEVELOPMENY EXPENDITURE

APPROVED DEVELOPMENT BUDGET AND ACTUAL DEVELOPMENT EXPENDITURE PER DEPARTMENT ANALYSIS FOR FY 2016/17

PROGRAMME	APPROVED BUDGET	ACTUAL EXPENDITURES	DIVIATION	ABSORPTION %
AGRICULTURE, LIVESTOCK, FISHERIES & COOPERATIVES	57,599,233	3,232,000	54,367,233	5.61
LANDS, HOUSING & PHYSICAL PLANNING	28,463,413	1,650,000	26,813,413	5.8

TRANSPORT & INFRASTRUCTURE	490,067,261	344,785,547	145,281,714	70.35
INDUSTRIALIZATION, TRADE & TOURISM	36,200,000	18,895,150	17,304,850	52.2
HEALTH SERVICES	223,650,000	103,748,705	119,901,295	46.39
EDUCATION, SCIENCE & TECHNICAL AND	138,920,367	36,789,345	102,131,022	26.48
COUNTY EXECUTIVE	45,000,000	0	45,000,000	0
COUNTY ASSEMBLY	115,000,000	89,417,288	25,582,712	77.75
COUNTY TREASURY	230,172,935	139,836,050	90,336,885	60.75
ADMINISTRATION AND COORDINATION OF COUNTY AFFAIRS	15,000,000	15,151,652	-151,652	101.1
GENDER, CULTURE YOUTH & SPORTS	51,050,000	13,492,997	37,557,003	26.43
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE.	79,925,076	26,122,882	53,802,194	32.68
TOTALS	1,511,048,285	793,121,616	717,926,669	52.49

The total development expenditure of Ksh. 793,121,616 represents 52.49 percent of annual development budget of Ksh 1.51 billion. The table above provides summarized development expenditure per department. This analysis indicates that there was low absorption of funds in financial year 2016/17 and at 47.51 percent as compared to the previous financial year 2015/16 which was at 59 percent. Reasons for lower absorption;

- a) Challenges in adapting to the new procurement system that requires all procurement to be done online (e-procurement system.)

- b) Delay in providing system requirements e.g. uploading of budgets, work plans and procurement plans.
- c) Delay in disbursement of funds from national treasury e.g free maternity health care fund.
- d) Delay in verification and audit of pending bills which led to decline in absorption of funds.
- e) Being an electioneering year, the national treasury had to freeze development expenditures during the last quarter.

RISKS TO THE 2017/18 BUDGET FRAMEWORK

Overview

The County's development agenda is susceptible to various internal, national and external shocks, such as climate change, commodity prices fluctuations, as well as insecurity and terrorism threats. More recently, the slowdown in global growth has posed challenges to attainment of projected expansion of the country's economy and subsequently the County share of national revenue. To this end, maintaining fiscal stability is critical for safeguarding against these adverse effects and ensuring that the County's development is sustained despite challenging circumstances.

As part of requirement under the Public Finance Management Act, 2012 for prudent management of risk, this Annexure presents the Statement of Specific Fiscal Risks (SSFR). It outlines the County's exposure to fiscal risks that are associated with assumptions used for fiscal and revenue projections, contingent liabilities, as well as risks posed by nature

Overall, the Statement highlights the following:

- Inadequate structures and policies to run County institutions
- Macroeconomic assumptions have been broadly accurate, although revenue collections, and low absorption of budget remains a key concern in the County;
- The County's debt sustainability analysis indicates that pending debts is projected to remain a case of concern;
- Continued failure by the County to raise its own local revenue pose a challenge in financing the expanding County programmes.
- Precaution has been taken to ensure that the effects of climate change, and political uncertainty in the wake of last year's general elections

Specific Macroeconomic and Fiscal Risks

Inadequate structures and policies to run County institutions.

Considering that urban areas are the engines of economic growth, failure by Counties to appoint and empower legally-required Municipal Boards and Town Committees undermines the financing and effective management of built up areas, especially in medium-sized towns, which sit in largely rural Counties. This could undermine the country's overall economic performance.

Mitigation measures: Jointly with the World Bank, the Government is finalizing design of a program-for-results (P-for-R) which will provide budgetary incentives for Counties to establish legally-required urban management structures, among other measures to ensure that cities and towns function effectively, and that municipal infrastructure and services are adequately maintained. A number of Counties have already signed up to the program whose implementation is expected to commence in FY 2017/18.

Changes in Underlying Macroeconomic Assumptions

Macroeconomic assumptions play a key role in the formulation of the budget. Changes in these macroeconomic variables create risks to both revenue and expenditure projections in this CFSP and the budget estimates and expenditure being submitted to the County assembly for approval.

The reduction in real GDP and depreciation of the exchange rate results in reduction of revenue against expenditures while an increase in inflation and value of imports in dollar terms results in higher revenue against expenditures. Overall, when all the shocks are applied at the same time, expenditures increase more or less like revenue resulting in lower share of revenue for the counties.

The actual performance of fiscal aggregates vis-à-vis target was largely as per target. Own revenue collection performance was broadly dismal with all the revenue categories failing to

meet their targets. The underperformance in A-i-A in the devolved departments largely reflects use at source and under reporting from the relevant departments.

The high wage bill is also a major challenge in the implementation of the budget. The County government inherited staff from the national government and from the defunct Local authorities. Recruitment of additional staff has been done in disregard to job evaluation exercise aimed at staff rationalization to achieve a lean and efficient workforce and a sustainable wage bill. The lack of clear guidelines for clarity, harmony of operations and delay by the National Government in finalizing the CARPS exercise is a drawback. It is expected that the National Treasury will allocate enough funds for staff compensation to support the staff rationalization.

Uncertainties associated with low staff productivity and other transition issues as the County builds on the developed structures will continue to affect performance.

Another major factor affecting performance is the delay in release of funds by the national government which has continued to disrupt the planned activities and programmes of the County and has hence compromised service delivery.

The County Government is working on modalities to improve coordination amongst County Departments, leaders in the County and National Government initiatives to help bolster development initiatives.

Execution of development expenditure was generally below target which reflects low absorption of departments, delays in procurement, and late disbursements of funds from the national treasury.

The slower-than-programmed spending on development budget poses a risk to the fiscal program. In order to prevent this risk from materializing, the County government has been pressing departments to increase absorption to at least 80-90 percent as part of performance contracting. Moreover, the departments have been asked to submit monthly and quarterly implementation reports. Other measures include asking departments to adopt e-procurement planning and improve on implementation capacity in managing procurement process.

Going forward, there are risks associated with expenditure proposals that cannot be accommodated within the baseline ceilings.

Statutory remittance

Failure by Counties to remit statutory deductions on time (e.g. PAYE, withholding VAT, NSSF contributions, etc.) could impact on overall collection of ordinary revenue by the Kenya Revenue Authority (KRA)

All Counties to prioritize remittance of statutory deductions while paying salaries, since this is duly budgeted for. With regard to withholding VAT, Counties should make payments at the time of paying suppliers and contractors since they are required to budget for the full cost of works, goods and services.

Debt Sustainability Risks

The sustainability of Vihiga County's debt depends on macroeconomic performance, enhanced revenue collections and a prudent borrowing policy.

Deficit Financing Policy

On the external financing front, the County Government will minimize the degree of borrowing and interest rate risk by leaning towards public-private partnerships in financing certain programmes.

Contingent Liabilities

The growing stock of expenditure arrears, especially pending bills due to suppliers and contractors, is potentially a factor behind struggling small and medium-sized enterprises (e.g. hotels, travel agencies, etc.), many of which borrow to finance their operations. Counties to establish pending bills committees to verify authenticity of all outstanding payments and formulate strategies to eliminate all arrears

CHAPTER THREE: THE MEDIUM-TERM STRATEGY 2017/2018- 18/19

Revenue projection (Resource Envelop)

The resource envelop will comprise of the following:

- i. Equitable Share
- ii. Compensation for user fees forgone
- iii. Rehabilitation of village polytechnics
- iv. Road Maintenance Levy Fund
- v. Leasing Medical Equipment
- vi. Loans and Grants
- vii. Own Resource

Equitable Share

Commission on Revenue Allocation in their recommendations concerning the basis for equitable sharing of revenue raised by the national government between national and county governments for 2018/19, Vihiga County Government will get 4,773 billion as equitable share of revenue for the FY 2018/19.

Compensation for user fees forgone

This grant was introduced by the national government to compensate the counties for the revenue lost from the user fees charged by health centers and dispensaries. The National Treasury used the annual consolidated facility outpatient attendance workload to share the money across health centers and dispensaries within the county, using the total county population as a sharing factor. As per the Budget Policy Statement 2018 Vihiga County Government will receive Kshs. 12.66 million as Compensation for user fees forgone for 2018/19

Rehabilitation of village polytechnics

The national government also approved conditional grants for developing and rehabilitation village polytechnics. Vihiga County Government will receive Kshs. 54.15 million for 2018/19 financial year.

Road Maintenance Levy Fund

The Road Levy Fund was established in 1993 through the Roads Maintenance Levy Fund Act to cater for the maintenance of public roads, including county roads. A conditional allocation of 15 per cent is extended to county governments from the annual proceeds of the Fund collected from the levy of Ksh.18 per litre of fuel, and shared based on the approved revenue sharing formula. This allocation is expected to be used exclusively road maintenance at the county level. Vihiga County Government will receive Kshs. 117.40 million for 2018/19 financial year.

Leasing Medical Equipment

The main objective of the grant is to facilitate the county governments to procure modern specialized medical equipment to equip two health facilities per county. This will ease access to specialised healthcare services at county level instead of travelling long distances in search of services. The grant is managed by the national government. Under this initiative, each county annually receives equal amount of Ksh. 95 million for this purpose. Vihiga County Government will receive Kshs. 129.79 million for 2018/19 financial year.

Loans and Grants

These are proceeds from external loans and grants through the National Government, which will finance devolved functions in accordance with the signed financing agreement for each. Vihiga County Government will receive Kshs. 421.73 million for 2018/19 financial year.

Own Source Resource (OSR)

For three years the County Government has under collected its local revenue thus causing budget deficits commemeratively. We have therefore for 2018/19 projected a growth of local revenue at 50% on the collections of 2016/17

PROJECTED LOCAL REVENUE FOR 2018/19

REVENUE STREAM	TOTAL COLLECTION	REVENUE PROJECTION FOR 2018/19 AT 50%
RENTAL INCOME	252,875	379,313
LAND BOUNDARY DISPUTES	447,160	670,740
SINGLE BUSINESS PERMITS	13,585,701	20,378,552
LIQUOR LICENSE	1,151,500	1,727,250
SIGN BOARDS; PROMOTIONS	1,201,405	1,802,108
PLOT\SITE\STALL RENT	2,199,551	3,299,327
LAND RATES	553,921	830,882
MISCELLENUIOUS INCOME	105,980	158,970
FERTILIZER	8,214,220	12,321,330
LEASE \HIRE OF MACHINES	572,411	858,617
MARKET\TRADE	13,658,968	20,488,452
VEHICLE PARKING	33,256,850	49,885,275
PUBLIC HEALTH SERVICE	1,842,605	2,763,908
FACILITY IMPROVEMENT FUND	14,888,169	22,332,254
WATER SUPPLY FEE	1,373,840	2,060,760
SLAUGHTER MANAGEMENT FEES	255,980	383,970
BUILDING PLAN APPROVAL	356,770	535,155
SAND\MURRAM	78,900	118,350
FINES, PENALTIES AND FORFEITURE	81,198	121,797
TEA CESS	6,670,881	10,006,322
LIVESSTOCK CESS	1,688,104	2,532,156
NOISE EMISSION	8,800	13,200
TOTAL	102,445,789	153,668,684

The total available resource for 2018/19 amounts to Kshs.5.759 billion of which Kshs.4.77billion is the equitable share, Kshs 12.66 million compensation for user fee foregone, Kshs 54.15million, rehabilitation of village polytechnics, Kshs 117.40 million road maintenance levy, Kshs 129.79 lease of medical equipment 521.73 million loans and grants Kshs 153.7 million own resources.

The table below shows the resource envelop

Vote and Programme Title	Proposed Resource Envelop 2018/19
Equitable share	4,416,168,766
Compensation for user fees foregone	12,657,201
Rehabilitation of village polytechnics	54,148,936
Road Maintenance Levy Fund	117,396,321
Leasing Medical Equipment	129,787,234
Loans and Grants	521,729,257
Own Resources	153,669,000
TOTALS	5,759,387,949

CHAPTER FOUR: PRIORITIES DETAILS FOR DEPARTMENTS

Resource Sharing Guidelines

The allocation of departmental ceilings over the medium term is informed by the following guidelines:

- Non-discretionary expenditures: This takes first charge and includes payment of Salaries and wages which are projected not to be above 35 percent of the expected total revenue receipts as per the PFMA regulations.
- Operations and maintenance: Departments are allocated funds for basic operations and maintenance. This accounts for 28 percent of the projected total Revenue.
- Development expenditure: As indicated at least 30 percent of the total revenue that will be available to finance development expenditure. The entire Development kitty will be shared out on the basis of County priorities.
- Compliance with the existing laws, regulations and Government circulars.

Further to the above-mentioned guidelines, consideration will also be given to completion of on-going projects and in particular focus on investment projects that support social development, economic growth and transformation of the County.

COUNTY'S STRATEGIC PRIORITIES PER DEPARTMENT FOR THE FY 2018/19

County Executive

Vision

To provide leadership, governance and formulation of policies that will enable Vihiga be the lead County in sustainable utilization of resources in a stable environment.

Mission

To provide leadership and policy direction aimed at support of food security programmes, agro-industrial development, trade expansion, employment creation and sustainable utilization of available resources.

Departmental 2018/19 priorities

The department will focus on the following priority areas as outlined below

- i. Provide leadership through coordination and supervision of County government programs
- i. Ensure effective and efficient management of the County functions in service delivery.
- ii. Increase access to County information

Specifically, the County Executive will continue to formulate laws regulation policies regulation governing County government function to facilitate service delivery .it will also focus on audit and accountability, performance management, emergency and disaster management, cabinet affairs legal services, research and development programme.

COUNTY ASSEMBLY

The Assembly will focus on its core constitutional mandate of Oversight, Legislation and representation; however, the County Assembly board has proposed the following projects for financial 2018/19

1. Construction of the official residence of the Hon Speaker of Vihiga County Assembly
2. Construction of multipurpose office block and committee rooms at the Vihiga County Assembly Headquarters
3. Completion of the Vihiga County Assembly Chambers

FINANCE AND ECONOMIC PLANNING

Vision

To be a lead entity in provision of quality accounting, financial and economic planning services to the public sector in Vihiga.

Mission

To provide quality accounting services in the public sector through maintenance of accurate accounting records, provision of quality financial reports and ensuring prudent management of public funds.

Departmental 2018/19 priorities

The department will focus on the following priority areas as outlined below

- i. Increase access to quality, timely and effective services in the County
- ii. Strengthen formulation and coordination of policies, planning and tracking implementation of projects and programmes
- iii. Capacity building and resource mobilization
- iv. Ensure prudent management of public finance and advisory services

The department of Finance and Economic Planning will focus on improving procurement services, monitoring and evaluation, coordination of policy and plans, accountings services, audit service budget formulation and expenditure management and resource mobilization. The ongoing construction of County treasury building continue to be given a priority in FY 2018/19.

PRIORITY PROGRAMME /ACTIVITIES COST ESTIMATES

PROGRAM	PROJECTS /ACTIVITIES	PRIORITY RANKING
Monitoring and evaluation	• M&E dashboard and (CIMES)	1
	• M&E Policy making	1
	• Capacity building	2
	• Purchase of M&E Vehicle	2
	• M&E Field Visits	1
	• Purchase of M&E vehicle	1
Capacity building/community training	• Community groups Training	1
	• Dissemination of county development reports, bulletins	1
Strengthen policy formulation and planning	• Preparation of plans (ADP, Sector plans, Strategic plans and Progress reports)	1
	• Backstopping Policy making	1
	• Policy, plans and reports dissemination	2
Research and appraisal studies	• Documentation and storage of development data	1
	• Development of county development indicators and vital statistics	1
	• Research and report writing	2

DEPARTMENT OF FINANCE

PROGRAM	PROJECTS /ACTIVITIES	PRIORITY RANKING
Purchase of office furniture and equipment	• Purchase of chairs and office tables	1
	• Purchase of office cabinets	1
Purchase of Motor vehicle	• Purchase of the vehicles	1
Enhancing of revenue automation	• Purchase of new revenue automation machines	1

DEPARTMENT OF AGRICULTURE, LIVESTOCK, FISHERIES & CO-OPERATIVES

Vision

To be an innovative, vibrant and lead Department in sustainable management of the Agricultural sector resources for socio economic development, and sustainable environmental stability.

Mission

To promote competitive and commercially oriented Agriculture through creation of an enabling Environment and sustainable Natural Resource Management in order to improve to ensure Food security.

OBJECTIVES

- i. Provide efficient administrative services to the agriculture sector actors.
- ii. Improve Veterinary services and increased livestock Production.
- iii. Increase quality fish production for enhanced food security and livelihoods.
- iv. Increase crop production for enhanced food security and livelihoods.
- v. Strengthen cooperative movements and Management
- vi. Improve value chains in agricultural production for increased income

Specifically, the Department will focus on the following activities to address the above priority areas as outlined in their proposal. The activities will include; Research and development, Value chain development, Veterinary Services and Extension, Livestock extension, Promotion of fish farming, Crop extension, farm input subsidy, Cash crop production and development, Food security initiatives, Cooperative Development Services, Market development and promotion and value addition.

Departmental priorities for FY 2018/19

**PROPOSED PRIORITY PROJECTS IN AGRICULTURE, LIVESTOCK,
FISHERIES AND COOPERATIVES DEPARTMENT FOR 2018-2019 FY**

Project Location	Proposed projects	Justification
All Wards	Fertilizer Subsidy Programme	To improve production
All Wards	Seed Subsidy Programme	To improve production
Emuhaya Sub-County	Agricultural Training & innovation Centre (ATC).	To provide a farmer training facility
All Wards	Avocado Promotion	To increase Production of avocados
Vihiga Sub-County	Promotion of Agric. Cottage industries for Avocado for export	To enhance value addition
Vihiga Sub-County	Promotion of Agric. Cottage industries for Papaya for export	To enhance value addition
Hamisi Sub-County	Promotion of Agric. Cottage industries for Banana for export.	To enhance value addition
All Sub Counties	Construction of collection centres for fresh produce	To improve marketing system and returns to farmers
All Sub Counties	Promotion of fresh horticulture produce for export	To increase productivity
All Sub Counties	Formation and improvement of	To provide a cooperative marketing alternative.

	management of Dairy Products Cooperatives	
All Sub Counties	Dairy Cattle Improvement	To increase productivity
All Sub Counties	Local Chicken Promotion	To increase productivity
All Sub Counties	Pig Production Promotion	To increase productivity
All Sub Counties	Value addition & market access Horticulture Produce	To improve farmer returns from horticultural produce
Hamisi Sub County	Coffee nurseries establishment at Jebrock & Lwandoni	To increase hacterage under coffee
Sabatia & Hamisi SubCounties	Rehabilitation of coffee factories Mudete & Jebrock	To provide coffee processing facility for farmers
County	Establishment of Cooperatives Enterprise Fund	To provide a low interest fund for loaning cooperatives to finance their investments
Emuhaya Sub County	Construction of building & Civil Works: Mwitokho Fish Farm	To provide source of fingerlings for the County farmers
Emuhaya Sub County	Provision of Certified Seeds: Fingerlings	To improve fish production
All Sub Counties	Fish Productivity Programme (Extension)	To educate fish farmers on fish production

Hamisi Sub County	Completion of Serem Slaughterhouse	To provide slaughterhouse facility for public health and revenue collection
Lwanda Sub County	Relocation of Mukhalakhala Health Centre	To provide the slaughter house with a conducive environment
All Sub Counties	Promotion of Artificial Insemination Services	To increase productivity
All Sub Counties	Mass Livestock Vaccination	To prevent disease outbreaks
County	Purchase of two utility vehicles	To improve on staff mobility
County	Payment of pending bills	To reduce the departments debt portfolio.

DEPARTMENT OF COUNTY HEALTH SERVICES

Vision

An excellent, dynamic and globally competitive provider of health services in the County, that contribute to a healthy and effective and human capital.

Mission

“To deliberately build progressive, responsive and sustainable technologically driven, evidence-based and client cantered health systems for accelerated attainment of highest standard of health care to all residents of Vihiga County.”

Departmental priorities for FY 2018/19

The department of health services will focus on the following key priority areas in order to address its strategic objectives;

- i. Plan and implement policies that provide effective and efficient health delivery services.
- ii. Reduce disease incidences for a healthy society.
- iii. Provide affordable and accessible healthcare services
- iv. Improve maternal and child health care.

To address the above key priority areas, the department will focus on Human Resource management and development, Healthcare financing, Public health services, Community health strategy, Health promotion, medical services, County referral services, immunization, antenatal and post-natal healthcare and maternity services. For capital intensive projects in the department, it would be prudent for it to be financed through the MTEF basis to allow some money to carry out maintenance and renovations for the existing facilities as outlined in the departmental priorities

PROPOSED PRIORITY PROJECTS IN HEALTH DEPARTMENT FOR 2018-2019 FY

Sub-County	Facility	proposed project	Justification
Vihiga sub-county	County Referral Hospital	Hospital Plaza	To improve access and quality health services

		Completion, equipping and operationalization of new hospital mortuary	to improve quality of mortuary's services in the county
		Construction of county medical warehouse	For effective management of medical commodities and address stock out of essential medical supplies through buffer stocks
		Construction and equipping of modern laboratory	To improve quality diagnostic services
	Mbale rural	Construction of laboratory and consultation rooms	To improve quality diagnostic services
	Iduku dispensary	Construction of latrines	
	Mulele dispensary	Completion of staled building	To improve services through adequate infrastructure
	Kisiru dispensary	Equip and operationalize	To improve access to medical services
	Kidinye Dispensary	Complete, Equip and operationalize	To improve access to medical services
	Inavi Dispesary	Equip and operationalize	
	Sub-County Health Management team	Purchase of Utility Vehicle	For support supervision
	Lyanaginga health centre	General renovation and construction of incinerator	To face lift the facility and improve waste management services

Emuhaya sub-County	Emusire Health Centre	Completion and Equipping of Mortuary	to improve access to mortuary services in the county
		Construction and equipping of theatre	To improve quality of health services
		Sinking of borehole	to improve access to clean water for hospital operation
		Purchase of X-ray and ultra sound machine	To improve quality health services through diagnostic services
	Ipali health centre	Construction of modern maternity	To improve access and quality maternity services
	Ebusiratsi health centre	Construction of maternity,staff houses,laundry,kitchen,wards and mortuary	To improve access and quality maternity services
	Emuhaya sub County	Purchase of Utility Vehicle	For support supervision
	Esiarambatsi	Construction of maternity	To improve access and quality maternity services
Hamisi sub- County	Hamisi Sub-County Hospital	Construction and equipping of theatre	To improve access to theatre services
		Construction and equipping modern maternity	To improve access and quality maternity services

		Construct Pediatrics ward	
		Construction of medical commodity store	To improve management and availability of medical commodities
	Kaptech dispensary	Completion, Equipping and staffing of Maternity ward at Kaptech Disp	To improve access and quality maternity services
	Shiru Health Centre	Completion, Equipping of inpatients male and female wards , MCH at Shiru H/C.	for improved service delivery
	Givigoi Health Centre	Completion, Equipping, staffing and operationalization of Givigoi Hospital.	to improve access and quality service delivery
	Likindu health Centre	Completion, Equipping and staffing of maternity ward at Likindu H/C.	To improve access and quality maternity services
	Jepkoyai Dispensary	Completion, Equipping of Maternity wards at Jepkoyai Dispensary, Fencing of the dispensary.	To improve access and quality maternity services

	Banja Health Centre	Completion, Equipping of male in patient wards at Banja Health Centre	To improve on inpatient services
Luanda Sub-County	Emuhaya sub-County Hospital	Construction of two wards	To improve on inpatient services
		Construction of a medical warehouse	to improve medical commodity warehouse
		Construction and equipping laundry	infection prevention
		construction and equipping of laboratory and dental unit	to improve diagnostic and dental services
	Ekwanda health centre	incinerator	to improve on medical waste management
		Construction of medical store	To improve on medical commodity management
	Sub-County Health Management team	Purchase of Utility Vehicle	for support supervision
		Renovation of the facility	To improve health infrastructure for effective service delivery
	Ebusyubi dispensary	Completion of works and operationalization	Improve health infrastructure and effective service delivery
Sabatia Sub-County	Sabatia Sub-County Hospital	Construction of main theatre	to improve access and quality theatre services
		Construction of male and female wards	for improved inpatient services
		Constructions of and equipping X-Ray and ultrasound unit	To improve diagnostic services

	Bugina Health Centre	Construction of incinerator	to improve on the waste management
	Givudimbuli health Centre	Renovation of the facility	to improve on the facility infrastructure
	Evojo Health centre	Complete Equip and operationalize evojo health centre	To improve access
	CHMT	Purchase of Utility Vehicle	
	Community health workers in all the 25 wards in the County	Employment of Community Health Workers	To improve access quality health services

DEPARTMENT OF EDUCATION, SCIENCE & TECHNOLOGY

Vision

To be a lead County in the provision of competitive quality education, training, research and innovation for sustainable development.

Mission

To provide, promote and coordinate quality education and training, and integration of science, technology and innovation for sustainable socio- economic development

Objectives

In order for the department to address its strategic objectives as outlined in its strategic plan, it will focus on the following key priority areas as outlined below;

- i. Promotion and supervision of ECD and Vocational education services.
- ii. Improve access to education through bursaries and other support programmes
- iii. Improved enrolments in technical training institutes.

The department will address the above priority areas by focusing on the following activities; Education Support services which include bursaries and scholarship, Youth polytechnic development and ECD development. It is recommended that the department focuses on completion of ECD and youth polytechnic infrastructures.

Ward	Proposed Projects
Busali	Bugina Ecde
	Busweta Ecde
	Chavogere Ecde
Banja	Giviriri Ecde
	Kapkoi Ecde
	Mutiva Ecd Class
North Maragoli	Chugwi Pri Ecd
	Mulundu Pri Ecd
South Maragoli	Vigetse Pri Ecd
	Madzugi Pri Ecd
	Akaranga Ecd

Jepkoyai	Musiri Ecd
	Zululu Ecd
	Mudindi Ecd
Lugaga Wamuluma	Lwang'ele Pri Ecd
	Mbihi Pri Ecd
	Chanzuvu Pri Ecd
Central Bunyore	Ebulondi Pri Ecd
	Mundichiri Pri Ecd
	Ebukhaya Pri Ecd
North East Bunyore	Renovation Eburnangwe Ecde
	Renovation Ebusiloli Pri Ecd
	Renovation Ematsuli Pri Ecde
Izava/Lyaduywa	Hamadira Pri
	Ondeyo Pri
	Chamasilihi Pri
Tambua	Marinda Primary School Ecde
	-
	-
Sabatia West	Galoni Ecd
	Madegwa Ecd
	Muholela
Central Maragoli	Kidinye
	Itengi

	Vihiga
Luanda South	
Emabungo	Wamakale Primary Ecde
	Waluka Ecde Primary
	Ebuhando Ecde
Luanda Township	Muhomba Ecde Pri
	Ebusiralo
	-
Muhudu	Kaptech Ecde
	-
	-
Gisambai	Givigoi Ecde Pri
	Jebrongo
	Gamuguywa
Wodanga	Vokoli Ecd Pri
	Gaigedi Ecde
	Ikumba Ecd
Mwibona	Ebiba Ecd
	Esibeye Ecde
	Emutsulu Ecde
Shiru	Shiru Ecde
	Kakubutu Ecde

VOCATIONAL TRAINING CENTER	WARD	PROJECT
KEVEYE	CENTRAL MARAGOLI	Kitchen
		Borehole
VIGESTE	SOUTH MARAGOLI	Administration block
		Fence & Gate
		Fencing
	VIGETSE	sanitary facilities
		Workshop
VOCATIONAL TRAINING CENTER	WARD	PROJECT
	MUNUGI	Sanitary facilities for Trainees
		Mahanga Ecde

DEPARTMENT OF ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE

Vision:

To be the leading Department in the County and beyond in-service provision.

Mission:

Working together to satisfy Vihiga County residents' water, sanitation, energy, environmental and forest needs.

MAIN OBJECTIVE

The main objective of the department is aimed at using Water, Natural Resources and Forest as tools for social, environmental growth, catalyst for economic growth and women and youth empowerment in the county as envisioned in H.E. the Governor's Manifesto, County Integrated Development Plan 2018-2022, the Sustainable Development Goals, and Vision 2030.

THE SPECIFIC OBJECTIVE

- i. To rehabilitate the existing water supplies in the County to restore optimum production to meet the demand within their service area through County and development partners' funds.
- ii. To expand the major water supplies in the county to serve additional population of approximately 270,000 people through the Belgian funded project.
- iii. To reduce production costs by constructing solar farm for the three major water schemes of Kaimosi, Maseno and Mbale under Belgian funded project
- iv. To improve sanitation situation in major urban centres of Mbale , Luanda, Chavakali, Hamisi and Kaimosi by constructing an elaborate sewerage systems. Strategic partners sought
- v. To complete on-going projects, revive stalled rural water projects, and implement new projects, to increase coverage from the current 16.5% to 45% in the next 3years. Through County funds.
- vi. To restore degraded land and improve social livelihood through reclamation. strategic partners sought

- vii. To conserve water, control of flooding and soil erosion through construction of roof water catchments, storm water management, construction of small dams and pans. Through County and other partner funds.
- viii. To reduce production costs and increase water coverage to about 90% by implementing a long-term solution of a greater Vihiga gravity scheme with source at Chepsonoi in Nandi County or through exploration of deep wells in the next 10 years. Strategic partners sought (Hydro source International had shown interest in the deep wells)
- ix. To fast track and work closely with the ministry of Mining and Petroleum in establishing Granite factory within the County by availing land and other needs for the project.
- x. To ensure effective wood fuel energy establishment through encouraged planting of fast growing environment friendly trees on community hill tops and on farm. Strategic partners sought
- xi. To ensure progressive development of green energy through County and strategic partners.
- xii. To effectively manage solid waste from all urban centers and rural areas. Strategic partners sought
- xiii. To effectively control all forms of environmental issues that is air, noise, water and soil. Through County funds.
- xiv. To acquire and ensure effective management of garbage collection vehicles, plants, and equipment. Through County funds.
- xv. To acquire and effectively manage solid waste management sites. Through County funds and other partners.
- xvi. To ensure availability and management of garbage collection bins at urban centre. Through County funds.
- xvii. To rehabilitate community hill tops. Strategic partners sought
- xviii. To promote tree planting at schools and public places. Through County funds.
- xix. To promote on farm forestry Extension services
- xx. To beautify urban centers. Through County funds.

- xxi. To rehabilitate water catchment areas and provide capacity building of water resource users association (WRUAS). Other National entities/ Strategic partners sought

Departmental priorities for FY 2018/19

Department	Programme Title	Sub Programmes	Programme objective	Programme output
Department of Environment, Water Energy, And Natural Resource	<u>Programme1: Administration, Planning and Support Service</u>	SP 1.1 General administrative Service	To meet recurrent expenditures	Departmental functions undertaken
	Programme 2: Water and Sanitation Services	SP 2.1 Water Supply Management	To complete ongoing, stalled and high impact water projects	Increased safe water coverage
		SP 2.2. Waste Water Management	To complete ongoing sewerage project at Kaimosi complex, carry out feasibility studies and design of Urban sewerage project and improve urban sanitation	Improved sanitation services

Programme3: Environmental management services	SP 3.1 Environmental protection and conservation	To improve solid waste management	Safer and pollution free environment	
	SP 3.2 conservation of wetlands	To restore of wet lands by replacing eucalyptus with bamboo trees	Conserved Wetlands and riparian reserves	
Programme4: Forestry and Natural resources management	SP 4.1 Farm forest management	To increase tree cover	Improved forest cover for domestic consumption	
	SP 4.2 Reclamation of degraded lands	to improve eroded lands due to gulley erosion	Degraded lands reclaimed	

DEVELOPMENT PROJECTS PRIORITIES

Focus area	Project Title	Expected output/Goal	Rank	Project location	Source of finance	Project Duration	Project Status
Pending bills	Payment of pending bills for completed projects	All completed projects pending bills settled	1	All sub Counties	Vihiga County Government	6Months	completed
Unprotected water point sources	1.Construction/ Rehabilitation of water springs in the wards	100NO springs protected	1	All wards	Vihiga County Government	8Months	Ongoing
	2. Rehabilitation of existing wells	8NO wells rehabilitated	2	Hamisi, Emuhaya, and Sabatia sub counties		4Months	Stalled
Inadequate rain water harvesting and storage	1. Construction of rain water harvesting facilities in public schools	12 NO rain water harvesting facilities constructed	1	All sub Counties	Vihiga County Government	6Months	Ongoing
Inadequate/Inefficient piped water schemes	1. Completion of ongoing/stalled water projects	13NO ongoing water projects completed	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties	Vihiga County Government	6Months	Ongoing
	2.Metering for operating water supplies to improve sustainability	1000No Meters installed	2	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties		6Months	Not started

Drilled & capped and boreholes	1.Equipping of drilled and capped boreholes with solar powered pumps and repair of stalled boreholes	8No boreholes equipped and operationalized	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties	Vihiga County Government	6Months	5No boreholes drilled and capped, 2No boreholes stalled and 1No borehole used as point source
Inadequate sanitation and sewerage facilities	1. Completion of Kaimosi complex sewerage works	1NO completed	1	1. Kaimosi complex - Hamisi sub county	Vihiga County Government	4Months	Ongoing at 65%
	2. Undertake feasibility studies planning and design of sewerage systems in Major urban centres	4NO studies done in Major urban centres	1	1.Mbale, Chavakali . Majengo and Luanda		4Months	Not started
	3. completion of ongoing/ stalled public sanitation facilities at Mwibona, Luanda and Ilungu Markets	3No projects completed	1	Mwibona, Luanda and Ilungu Markets		4Months	Stalled at 60%
	4. Construction of public ablution blocks in Market centres	4No public ablution blocks constructed	2	3. Vihiga, Hamisi, Emuhaya and Sabatia Sub counties		6Months	Ongoing
Poor solid Waste Management and degraded wetlands	1. Undertake environmental impact assessment on solid	EIA and fencing to be	1	Chavakali	Vihiga County Government	3Months	Not started

	waste dumping and protect the site	done on 1NO dumping sites					
	2. Installation of waste bins in urban and Market centres	60-NO waste bins	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties		3Months	Ongoing
	3. Purchase waste handling equipments	20NO wheelbarrows, 300NO gloves, 300NO brooms, 50NO pangas 50No Jembes 60 protective clothing procured for all Markets	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties		3Months	Not started
	4.Purchase of solid waste sites	3No. solid waste sites	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties		12months	Not started
	5.Restoration of wetlands	20No wetlands restored in water supply catchment areas	1	Vihiga, Hamisi, Emuhaya, Luanda and Sabatia sub counties		12months	Not started
Low fuel wood cover and degraded land due to sand	1. Increase fuel wood cover for domestic consumption	100,000 trees planted	1	Vihiga, Hamisi, Emuhaya,	Vihiga County Government	8months	new

harvesting and gully erosion				Luanda and Sabatia sub counties			
	2. Reclamation of degraded land	1No degraded land rehabilitated	2				

DEPARTMENT OF TRANSPORT AND INFRASTRUCTURE

Vision

A lead provider of efficient transport system, well maintained infrastructure, ICT and energy in a secure environment.

Mission

To provide efficient infrastructure, reliable energy, effective and innovative science and technology for sustainable development.

Departmental 2018/19 Priorities

The department will focus on the following priority areas;

- a) Ensuring effective and efficient transport
- b) Improving infrastructure supervision and Development

The County Department of Transport and Infrastructure will focus on improving transport system, mechanical services, Street lighting and Road Maintenance in order to improve service delivery. About 200Km of road network will be improved and maintained

PROPOSED PRIORITY PROJECTS IN DEPARTMENT OF TRANSPORT AND INFRASTRUCTURE FOR FY 2018/2019

Sub-County	Location	Proposed Project	Justification
Hamisi, Luanda, Sabatia, Emuhaya, Vihiga	19 markets in respective wards	Lighting of markets	To improve environment of doing business To improve security
Hamisi, Luanda, Sabatia, Emuhaya, Vihiga	County wide	Proposed construction of low volume seal roads	To improve road network To upgrade county roads
Hamisi, Luanda, Sabatia, Emuhaya, Vihiga	Various wards	Routine maintenance of access roads	To open up rural areas to enhance economic development
Hamisi, Luanda, Sabatia, Emuhaya, Vihiga	Various wards	Hire of plant and equipment	To enhance the capacity to support road works
Vihiga	County Headquarter	Purchase of fire engine	To improve access on fire fighting and safety
Vihiga	County Headquarter	Purchase of motor vehicle	To improve on service delivery
Hamisi, Luanda, Sabatia, Emuhaya, Vihiga	Various wards	Proposed completion stalled and construction emergency bridges	To improve road connectivity
Vihiga	County Headquarter	Development of policies	To improve on service delivery
Vihiga	County Headquarter	Transport management system	Effective and efficient management of county vehicles, plant and machinery

DEPARTMENT OF GENDER, CULTURE, SPORTS AND YOUTH

Vision

To be a leader in developing a vibrant and cohesive society thriving on its cultural diversity, Social protection and Empowerment for all

Mission

To coordinate and promote sports and diverse culture, empower and protect vulnerable groups through socio-Economic development programmes for improved livelihoods.

Objectives

The department will focus on the following priority areas;

- i. Promoting cultural heritage and sporting activities
- ii. Enhancing Youth and Gender Empowerment and Mainstreaming for Sustainable Development in the County

The County Department of Gender, Culture, Sports and Youth will focus on improving recreation/art, sports promotion, culture/heritage, social protection, Youth and Gender development.

Departmental 2018/19 Priorities

PROPOSED PRIORITY PROJECTS IN DEPARTMENT OF YOUTH, GENDER, CULTURE, SPORTS AND SOCIAL SERVICES

NO	SUB COUNTY	WARD	PROPOSED PROJECT	JUSTIFICATION
1.	Vihiga H/Q		<ol style="list-style-type: none">1. Procure Office Equipment.2. Pending bills for the department	<p>To facilitate officers for effective service delivery</p> <p>To ensure that services provided for the department are paid.</p>

			<p>3. Procure Motor Vehicle Directorate of Sports</p> <p>4. Mobilization and Registration of groups.</p> <p>5.</p> <p>6. Organizing County Cultural festivals.</p> <p>7. Creation of a fund and sports board.</p> <p>8. Affirmative Action Funds.</p> <p>9. Conduct Agri business training forums for vulnerable groups.</p> <p>10. Youth in Information Communication Technology</p> <p>11. Gender Mainstreaming.</p> <p>12. Drug and Substance abuse programs</p>	<p>To facilitate officers for effective service delivery.</p> <p>For effective information and data collection.</p> <p>Harmonization and cohesion of the cultural activities.</p> <p>To facilitate the sports management and activities in the county.</p> <p>Equip the Youth, Women and PWDs with capacity on Entrepreneurship skills.</p> <p>To enhance agriculture in the County.</p> <p>Engage the Youth in IT skills county wide.</p> <p>To deal with Gender based violence and inequalities.</p> <p>To combat issues of drug and substance abuse in the county.</p>
2.	VIHIGA	Izava/ Lyaduywa	<p>Construction and upgrading of Demesi and Elwanda sports grounds</p> <p>Construction, upgrading and equipping of rehabilitation Itando centre</p> <p>Construction of social and community hall</p>	<p>develop an avenue to tap talent</p> <p>Youth empowerment</p>

			construction and equipping of hospice for the elderly at Kegoye	improve well-being of the elderly
		Chavakali	Construct a special school for persons with disability Construction and upgrading of Ivona sports grounds Construction of social community hall at Halombombove Construction and equipping recreation facilities at Halombombove construction and equipping of hospice for the elderly at Chavakali	develop an avenue to tap talent Youth empowerment improve well-being of the elderly.
		Busali	setting up, protection and fencing of cultural sites at Baruzao source land at Chamakanga for construction of recreation centre Establish sports grounds at Chavogere, Bugina and Chamakanga	For the conservation of cultural.
		Lugaga Wamuluma	Upgrading of sports grounds construction of social/community hall setting up, protection and fencing of cultural centre at lugaga	develop an avenue to tap talent

			<p>construction of child rescue centres /child protection centres</p> <p>Construction, upgrading and equipping of talent and recreation centre</p> <p>Construction, upgrading and equipping of rehabilitation centres</p>	<p>For the conservation of cultural</p> <p>Child protection</p> <p>Youth empowerment</p> <p>Youth empowerment</p>
		South Maragoli	<p>Construction, upgrading and equipping of rehabilitation centres</p> <p>construct rescue centre</p> <p>construction and upgrading of sports grounds</p>	
		Central Maragoli	<p>construction of child rescue centres /child protection centres</p> <p>construction and upgrading of Kidundu Sports grounds grounds</p> <p>construction of social/community hall</p> <p>Establish children home</p> <p>construction of talent / empowerment centre</p>	Child protection
		Mungoma	<p>construction and upgrading of sports grounds</p> <p>construction of children home</p> <p>construction of social/community hall</p> <p>establish flash lights</p> <p>setting up, protection and fencing of cultural centre</p>	<p>develop an avenue to tap talent</p> <p>Child protection</p> <p>For the conservation of cultural</p>
		Wodanga	<p>Construction and upgrading of Sabatia sports grounds</p> <p>Establish children home</p> <p>construction of talent / empowerment centre</p> <p>Building a child rescue centre and children home</p>	<p>develop an avenue to tap talent</p> <p>Child protection</p> <p>Child protection</p>

	SABATIA	Sabatia West	Construction of social / community hall at selerwe setting up, protection and fencing of cultural sites Solongo and Kegondi centre construction / upgrading and equipping of rehabilitation centre at Kisatiru	For the conservation of cultural Youth rehabilitation develop an avenue to tap talent
		North Maragoli	Construction and upgrading of sports grounds at Mudete, Kigama and Kivagala	
		North East Bunyore	construction and upgrading of sports grounds Construction of social / community hall	develop an avenue to tap talent.
	EMUHAYA	Central Bunyore	construction and upgrading of sports grounds at Ebuhanga Construction of social / community hall	develop an avenue to tap talent.
		West Bunyore	construction and upgrading of sports grounds construction /upgrading and equipping of talent empowerment centres setting up , protection and fencing of cultural sites west bunyore cultural centre	develop an avenue to tap talent develop an avenue to tap talent For the conservation of cultural
		Luanda Township	The participants observed a weakness in Specific areas of interest of interest for men, women and the youth should be highlighted. Protection and preservation of local resources e.g. Stones and shrines Construction and rehabilitation of stadium construct Recreational facilities	Youth empowerment Youth empowerment
		Luanda South	construction and upgrading of sports grounds setting up, protection and fencing of cultural sites Construction of social / community hall Construction of rehabilitation centre	Youth Empowerment.
		Emabungo	construction and upgrading of sports grounds	develop an avenue to tap talent

			<p>setting up, protection and fencing of cultural sites</p> <p>Construction of social / community hall</p>	For the conservation of cultural.
		Mwibona	<p>construction and upgrading of sports grounds</p> <p>setting up, protection and fencing of cultural sites</p> <p>Construction of cultural resource centre</p>	<p>develop an avenue to tap talent</p> <p>For the conservation of cultural</p>
		Wemilabi	<p>construction and upgrading of sports grounds</p> <p>setting up, protection and fencing of cultural sites</p> <p>Construction of social / community hall</p> <p>Construction of hospice for the elderly</p>	<p>develop an avenue to tap talent</p> <p>For the conservation of cultural.</p>
	HAMISI	Tambua	<p>construction and upgrading of sports grounds</p> <p>setting up, protection and fencing of cultural sites</p> <p>Construction of social / community hall</p>	develop an avenue to tap talent
		Banja	<p>construction and upgrading of sports grounds</p> <p>setting up, protection and fencing of cultural sites</p> <p>Construction of social / community hall</p>	Develop an avenue to tap talent.
		Jepkoyai	<p>construction and upgrading of sports grounds</p>	Talent Development.
		Shiru	<p>construction and upgrading of sports grounds</p> <p>setting up, protection and fencing of cultural sites</p> <p>Construction of social / community hall</p> <p>Construction of rehabilitation centre</p>	
		Muhudu	<p>construction and upgrading of sports grounds</p>	

			Construction of social / community hall setting up, protection and fencing of cultural sites	
		Shamakhokho	construction and upgrading of sports grounds Construction of social / community hall setting up, protection and fencing of cultural sites	
		Gisambai	setting up, protection and fencing of cultural sites	

DEPARTMENT OF LANDS, HOUSING, PHYSICAL & URBAN PLANNING

Vision

To be lead Provider of Urban and Physical Planning services, Prudent Land Management and Decent Housing for Sustainable Development

Mission

To Promote Efficient, Effective and Sustainable Land use practices, and Provide Decent and Adequate Housing for all in a Clean and Secure Environment using appropriate technologies.

Physical Planning, Lands and Housing Departmental 2018/19 Priorities

No.	PROJECT	AREA OF IMPACT	JUSTIFICATION
1	Establishment of Land Information Management System	Whole county	-Produce accurate inventories of land parcels, available as a public record -Better geographic information record keeping
2	Establishment of GIS laboratory	1 lab per Sub County Vihiga, Hamisi, Sabatia, Emuhaya & Luanda	Digital mapping in the Sub county, wards and villages

3	Geo referencing, fencing of public land	Whole County	Better geographic information record keeping
4	Establishment of Appropriate Building Technology Centres	Hamisi, Vihiga, Emuhaya, Luanda	Employment creation centres where youths will be taught how to make bricks that will be used for building modern houses.
5.	Establishment of Municipality	Mbale, Majengo, Mudete, Chavakali	Improvement in service provision and management in the urban areas, falling within the area of jurisdiction
6	Preparation of valuation roll	Mbale, Majengo, Mudete, Chavakali & Luanda	Enhanced revenue collection
7	Formation of urban committees	Serem, Kaimosi-Jeptulu, Gambogi, Shamakhokho, Mago, Emuhaya-Kima, Sabatia and Hamisi	Improvement in service provision and management in the urban areas falling within the area of jurisdiction
8	Purchase of land for land banking	Whole County	Getting land for investment by the Government and development partners since most land currently is in private lands
9	Preparation of integrated strategic plans for market centres	Whole County	Provide a framework to guide and control development in the various market centres
10	Construction of staff quarters	All sub Counties	Provide shelter for Government officers so that they be living closer to where they work
11	Maintenance of government houses	All sub Counties	Ensure that officers are living in habitable environment
12	Formulation of policies	-Physical planning policy -Housing policy -Land policy -Geographical information system policy	Provide legal framework to execute the mandate of the department
13	Purchase of 3 motor vehicles	County Headquarters 3 Directorates	Mobility of staff to enable them do effective field fieldwork

14	Sensitization program on funding of housing to target groups	Vihiga, Hamisi, Sabatia, Emuhaya & Luanda	Creating awareness to the members of the public about available funds for building houses/ mortgages
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PENDING BILLS

Social housing

Survey and Fencing of Public Land

Rehabilitation of Esiarambatsi Health Centre

Rehabilitation of staff houses in Sabatia

COUNTY PUBLIC SERVICE BOARD

Vision

To be a lead County in provision of a competitive Human Resource Management and Development that ensures efficient and effective service delivery in the County.

Mission

To recruit, develop, sustain and a motivated human resource that is effective and efficient.

Departmental 2018/19 Priorities

The department will focus on the following priority areas;

- i. Facilitating recruitment and promotion of staffs in varous County department ,
- ii. Instituting organizational framework of departments
- iii. Development of County public service human resource

The County Department will focus on staff development matters including recruitment, training, promotion, and discipline among other staff related issues.

ADMINISTRATION AND COORDINATION OF COUNTY AFFAIRS

Vision

To be a lead entity in Public Administration, Human Resource Management and Performance Management

Mission

To provide leadership in Public Administration, Human Resource Management and Performance Management for effective public service delivery

Objectives

The department will focus on the following priority areas;

- i. Increasing access to quality, timely and effective services for enhanced coordination and provision of effective service delivery
- ii. The County Department will focus on strengthening County administration services through various administrative offices and dissemination of County information on service delivery. The Department will also focus on constructing and equipping ward offices, continues training and deployment of staff, civil education among other activities.

PRIORITY SPENDING AREAS FOR THE FINANCIAL YEAR 2018/2019

Directorate	Particulars	Priority Ranking
Administration and Coordination of County Affairs	1. Building and equipping of Ward Offices	1
	2. Purchase of motorcycle for Ward Administrators	1
	3. Lay Information Technology infrastructure in all Sub	1
	4. County offices and revamp the one at the headquarters	
	5. Restructuring of Vihiga FM Radio	1
	6. Set up Vihiga TV	1

	7. Creation and operationalization of Directorate of Public Participation and Civic Education	1
	8. Purchase of uniform for Enforcement Officers and Administrators	1
	9. Purchase of 2 departmental vehicles	1
Human Resource and Development	10. County-wide Training and Capacity Development	1
	11. Digitalization of Human Resource processes	1
	12. Automation of Human resource processes	1
	13. Digitalization of Registry	1
	14. Provision of Comprehensive Medical Cover	1
	15. Provision of Work Injury Compensation	1
	16. Work Station for payroll	1
	17. Work Station for Registry	1
	18. Filing Cabinets	1
	19. Re alignment of staff to relevant department	1
	20. Reorganization and restructuring of County Registry	
Alcoholic Drinks	1. Restructuring of the Alcoholic Drinks	1
	2. Streamlining Inspection and Licensing	1
	3. Classification of bars and outlets	1
	4. Development of regulations	
	5. Establishment of Rehabilitation Centre	1
Disaster Management	1. Purchase of Fire Engine	1
	2. Recruitment of Disaster Personnel	1
	3. Training of Disaster Personnel	1
	4. Establishment of Disaster Personnel Centre	1
	5. Devolvement of disaster response	1
	6. Continuous Capacity Building of Staff of Disaster Response	1
	7. Make County Government buildings disaster responsive by adequately equipping (fire extinguishers, exit doors, assembly points etc)	1
	8. Develop Disaster Management Policy and work place safety guidelines for the county	1
Directorate of ICT	1. Installation and Deployment of Monitoring and Evaluation Dashboard	1
	2. Creation and operationalization of a fully-fledged ICT Directorate	
	3. Commissioning of County WiFi connectivity	1
	4. Construction and Deployment of Incubation Centre	1
	5. Construction of a Data Centre	1
	6. E- Billing system for water and other services	1

	7. Installation of Health Management system	1
	8. Installation of a Human Resource management system, recruitment portals	1
	9. Bursary management system	1

DEPARTMENT OF TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP

VISION: To be a lead department in Trade, Tourism and Enterprise development for a competitive and prosperous County

MISSION: The Department commits itself to spearhead growth and development of Commerce, Tourism, Investment and Entrepreneurship for Economic Sustainability in our County.

OBJECTIVES:

- 1) To create a conducive environment for doing Business.
- 2) To collect, process and disseminate Business Information to the Citizens.
- 3) To Provide Financial Support to the entrepreneurs.
- 4) To provide the Entrepreneurship skills to the Citizens.
- 5) To Promote inter cross boarder and export trade.
- 6) To Promote Tourism Development in the County.
- 7) To Promote Enterprise and Industrial Development in the County.
- 8) To Promote Innovation and Creativity to our Citizens for Entrepreneurship and Industrial growth.

DEPARTMENT’S PRIORITY SPENDING AREAS FOR THE FY 2018/2019:

		PARTICULAR	PRIORITY RANKING
DIRECTORATE OF TRADE DEVELOPMENT	1	CONSTRUCTION OF MODERN MARKETS	
	I	Serem (Hamisi Sub County)	1
	ii	Esibuye (Emuhaya Sub County)	1
2		CONSTRUCTION OF MARKET SHADES	
	I	Luanda Market	1
	Ii	Mahanga Market	1
	iii	Serem Market	1
	Iv	Esibuye Market	1
	V	Mbale Market	1
3		COMPLETION OF ESP MARKETS	
	I	Majengo Market	1
	Ii	Standkisa Market	1
	iii	Wemilabi Market	2
	Iv	Cheptulu Market	1
4		CAPITAL TRANSFER	
	I	Vihiga County Community Empowerment Fund	1
	Ii	Vihiga County Trade and Enterprise Development Fund	1
	iii	Motor Cycle Transport Sacco (Boda Boda Sacco)	1
5		PROCURE LAND FOR MARKET EXPANTION	
	I	Mbale Town	2
	Ii	Cheptulu Town	2
	iii	Majengo Town	2

	Iv	Luanda Town	2
6		PROCURE MOTOR VEHICLES	
	I	Motor Vehicle Trade Directorate	1
7		CONSTRUCTION AND RENOVATION OF OFFICES	
		Construction of Office at Vihiga Sub County	2
		Construction of Office at Emuhaya Sub County	1
		Construction of Office at Hamisi Sub County	1
		Construction of Office at Sabatia Sub County	2
DIRECTORATE OF TOURISM			
1		DEVELOPMENT OF TOURISM SITES	
	I	Maragoli Hills – Modern Camp Site,	1
	Ii	Mungoma Caves-Renovate 2 huts and Build 4 hats/sola lighting.	1
	iii	Mudete wet land(Water sports(canoes (10 variety) Floating Restaurant	2
	Iv	Bunyore Esibila(Develop a Recreational park	2
	V	Creating passable Access Roads to the Tourism Sites in conjunction with Transport and Infrastructure.	1
	vi	Procure nMotor Vehicle Tourism Directorate	
2		DEVELOPING TOURISM PRODUCTS	
	I	Developing Tourism Products	2
3		TOURISM MARKETING PROJECTS	
	I	Construct Advertising Digital Bill Boards 2 big/ 1 small	1
	Ii	Develop Vihiga County Tourism Promotional Documentary.	1
4		Procure Motor Vehicle for Tourism Directorate	

DIRECTORATE OF INDUSTRIAL DEVELOPMENT			
	1	Establishment of an EPZ at Kaimosi (Industrial Park)	1
DIRECTORATE OF ENTERPRISE DEVELOPMENT			
1		Construction and Equipping Enterprise Incubation Centers	
	I	Incubation Centre at Vihiga Sub County	1
	Ii	Incubation Centre at Emuhaya Sub County	1
	iii	Incubation Centre at Sabatia Sub County	1
	Iv	Incubation Centre at Hamisi Sub County	1
	V	Incubation Centre at Luanda Sub County	1
2		Construction and Equipping Business Information Centre.	2
DIRECTORATE OF WEIGHTS AND MEASURES			
	1	Procure Tools and Equipment	1
	2	Construction of a Weights and Measures Lab.	2
	3	Procure Motor Vehicle for Weights and Measures Directorate.	1

CEILINGS FOR THE DEPARTMENTS OVER THE MEDIUM TERM

Departments	APPROPRIATION 2017/18	APPROPRIATION 2017/18 less CONDITIONAL FUNDS	RESOURCE ENVELOP 2018/19	CEILING 2018/19 1.069%
Local revenue 2018/19			153,669,000	
Equitable share 2018/19			4,770,000,000	
County Executive	330,973,093	330,973,093		353,777,139
County Treasury	434,612,673	407,829,888		436,065,342
Agriculture, Livestock, Fisheries &Co- operatives	188,528,218	188,528,218		201,517,812
County Health Services	1,342,642,500	1,252,111,297		1,338,381,765
Education, Science, &Technology	516,725,524	516,725,524		552,327,913
Gender, Culture, Youth &Sports	211,312,979	211,312,979		225,872,443
Trade, Industry, Tourism and Entrepreneurship	86,998,765	86,998,765		92,992,980
County Public Service Board	49,131,769	49,131,769		52,516,948
County Environment, Water Energy, And Natural Resource	147,781,149	147,781,149		157,963,270
Transport &Infrastructure	450,769,091	383,375,648		409,790,230
Land, Housing &Physical Planning	76,646,879	76,646,879		81,927,849
County Assembly	612,773,279	612,773,279		654,993,358
Administration and Coordination of County Affairs	341,979,559	341,979,559		365,541,951
Total Proposed County Expenditure	4,790,875,478	4,606,168,047	4,923,669,000	4,923,669,000

Source: County Treasury

Conclusion

The head of departments are advised to put into consideration all the strategies, fiscal responsibility principles, the departmental ceilings and the public participation contributions in the budgetary provisions.

This Fiscal strategy paper emphasizes realistic proposals and estimates on both revenues and expenditures to avoid unnecessary budget deficits.

Where a project requires more than one year to complete or the funds required cannot be realized in one financial year, it is advised to spread it within the medium-term framework of three years

APPENDIX 1

SUMMARY OF DEPARTMENTAL BUDGET 2016/17-2018/19

Departments	Budget 2016/17	Estimates 2017/18	Projected estimates 2018/19
County Executive	303,219,192	330,973,093	347,521,748
County Treasury	472,789,427	434,612,673	456,343,307
Agriculture, Livestock, Fisheries &Co-operatives	183,487,916	188,528,218	197,954,629
County Health Services	1,253,707,143	1,342,642,500	1,409,774,625
Education, Science, &Technology	468,691,037	516,725,524	542,561,800
Gender, Culture, Youth &Sports	256,250,456	211,312,979	221,878,628
Trade, Industry, Tourism and Entrepreneurship	88,039,961	86,998,765	91,348,703
County Public Service Board	61,991,289	49,131,769	51,588,357
County Environment, Water Energy, And Natural Resource	141,946,048	147,781,149	155,170,206
Transport &Infrastructure	595,696,003	450,769,091	473,307,546
Land, Housing &Physical Planning	85,997,008	76,646,879	80,479,223
County Assembly	648,773,279	612,773,279	643,411,943
Administration and Coordination of County Affairs	480,050,783	341,979,559	359,078,537
Total Proposed County Expenditure	5,040,639,542	4,790,875,477	5,030,419,251

APPENDIX 2

SUMMARY OF TOTAL EXPENDITURE 2017/2018

VOTE TITLE	GROSS ESTIMATES	% of Total Estimate
	2017/18	
County Executive	330,973,093	7
County Treasury	434,612,673	9
Agriculture, Livestock, Fisheries &Co- operatives	188,528,218	4
County Health Services	1,342,642,500	28
Education, Science, &Technology	516,725,524	11
Gender, Culture, Youth &Sports	211,312,979	4
Trade, Industry, Tourism and Entrepreneurship	86,998,765	2
County Public Service Board	49,131,769	1
County Environment, Water Energy, And Natural Resource	147,781,149	3
Transport &Infrastructure	450,769,091	9
Land, Housing &Physical Planning	76,646,879	2
County Assembly	612,773,279	13
Administration and Coordination of County Affairs	341,979,559	7
TOTAL	4,790,875,477	100

APPENDIX 3

SUMMARY OF PUBLIC PARTICIPATION CONTRIBUTIONS

VIHIGA SUB-COUNTY

WAMULUMA / LUGAGA WARD	
DEPARTMENT	PROPOSALS
AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OP	<ol style="list-style-type: none"> 1. Subsidized Fertilizer/seeds 2. Revive cattle dips 3. Revive/start Cooperatives 4. Bee keeping 5. Immunization of Livestock and Poultry Farming 6. Horticulture 7. Farm Industries
LANDS, HOUSING AND PHYSICAL PLANNING	<ol style="list-style-type: none"> 1. Lands office to be at the County 2. Adheharance to plans 3. Lands management board
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Maintaining existing roads 2. Employ local in road works
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	<ol style="list-style-type: none"> 1. Create more industries 2. Tourism sites to be developed 3. Street Lighting
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Equip health facilities 2. Procure drugs regularly 3. Employ adequate personnel
EDUCATION, SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. ECDE centres in all primary schools 2. Increase education support-bursary 3. Equip polytechnics and ECD centres
GENDER, CULTURE, YOUTH AND SPORTS	<ol style="list-style-type: none"> 1. Building social hall and library 2. Construction of Kidundu stadium
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE	<ol style="list-style-type: none"> 1. Complete Mbihi water project 2. Waste management/recycling plant at Mbale 3. Renovation of all water springs

CENTRAL MARAGOLI WARD	
DEPARTMENT	PROPOSALS
LANDS, HOUSING AND PHYSICAL PLANNING	Purchase of land for resettlement of churches
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Rehabilitate home pub 2. Rehabilitate womulalu-bukuga road
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Provision of adequate drugs 2. Equip hospitals 3. Recruit of nurses and support staff 4. Increase medical personnel
EDUCATION, SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. Construction of new polytechnic and vocational facilities 2. Equip existing polytechnic 3. Employ ECD teachers and instructors in polytechnics 4. Construct ECD classes 5. ECD feeding program 6.
GENDER, CULTURE, YOUTH AND SPORTS	<ol style="list-style-type: none"> 1. Construct stadium at Kidundu 2. Extension of other games like volley ball 3. Put up a talent centre
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE	<ol style="list-style-type: none"> 1. Need for piped water in our institution of learning 2. Need for completion of water project eg chango watergidagida water project

MUNGOMA WARD	
DEPARTMENT	PROPOSALS
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Mahanga hyanaginga road to be expanded 2. Kelonga roads to be renovated 3. Need to build a booster at Ebukani 4. Mahanga Masatsi road needs calavats
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Enhance number of staff at the centres 2. Madzuu dispensary needs CHC
EDUCATION SCIENCE AND TECHNOLOGY	Need for Head transfer at Kerongo Chavavo
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE	<ol style="list-style-type: none"> 1. Equip boreholes 2. School tanks to be renovated 3.

SABATIA SUB-COUNTY

WEST SABATIA WARD	
DEPARTMENT	PROPOSALS
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES	<ol style="list-style-type: none"> 1. Counter measures on army worms 2. Facilitate groups to venture in poultry farming 3. Offer extension services to farmers 4. Establish soil care centres
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Routine maintenance of existing roads 2. Open feeder roads 3.

TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	<ol style="list-style-type: none"> 1. Install transformers at changuji and masinde village 2. Security lights at market places need to be placed in order 3. Establish cottage industries 4. Create more women empowerment programmes
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Upgrade Kegondi Health centre into a teaching health centre
EDUCATION SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. Upgrade Solongo polytechnic into a technical institute 2. Start an ICT centre at Solongo.
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE	<ol style="list-style-type: none"> 1. County policy on water catchment areas 2. Review drilled boreholes and make them operational 3. Review piped water scheme

IZAVA	
DEPARTRMENT	PROPOSALS
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES	<p>Improve on farming techniques</p> <p>Improve number of extension officers</p> <p>Improve on soil sampling</p> <p>Green house techniques</p> <p>Sensitization of farmers on artificial insemination.</p>
LANDS, HOUSING AND PHYSICAL PLANNING	
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Street lighting system 2. Construct Enderi –Tsimbalo bridge 3. Tamarc of joint roads i.e Mbale-Nadanya road 4. Maintainance of feeder roads 5.

TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	<ol style="list-style-type: none"> 1. Construction of Munongwe market 2. Micro financing/ loaning facility for business
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Provide drugs in health facilities 2. Employ more staff. 3. Staff quoters 4. Build Munoywa maternity wards 5. Clear water to the facility
EDUCATION SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. introduce feeding programme 2. renovate Itando rehabilitation centre 3. Employ more ECD teachers
ADMINISTRATION AND COORDINATION OF COUNTY AFFAIRS	<ol style="list-style-type: none"> 1. Security flood lights at market centres
GENDER, CULTURE YOUTH AND SPORTS	<ol style="list-style-type: none"> 1. Town halls and youth education facilities 2. Maintenance of football grounds i.e Demisi and Tsimbalo
ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE.	<ol style="list-style-type: none"> 1. Munugi water project should be completed 2. Schools both primary and secondary should have water 3. Pipes from Lunyerere to Munoywa should be repaired

CHAVAKALI	
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES	<ol style="list-style-type: none"> 1. Most of the land is acidic there is need for tests of the soil. 2. Rehabilitation of existing fish ponds and establishing others 3. Provision of beehives 4. Provision of extension services

TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Construct bridge at Solongo youth polytechnic joining Sabatia West ward to Chavakali ward 2. Wamage- Waluguka road
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	<ol style="list-style-type: none"> 1. Establish jua kali sheds at chavakali 2. Establish an animal feeding processing plant at Walodeya
HEALTH SERVICES	<ol style="list-style-type: none"> 1. Completion of construction of Evojo and Viyalo health centres 2. Public latrine be built at kilingili,viyalo,standkisa markets
EDUCATION SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. Construction of TVET centres 2. Equipping of Mudete youth polytechnic 3. Construction of ECDE Centres 4. Recruitment of ECDE teachers
GENDER, CULTURE, YOUTH AND SPORTS	<ol style="list-style-type: none"> 1. Construct special school for the disabled

WODANGA	
DEPARTMENT	PROPOSAL
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES	<ol style="list-style-type: none"> 1. Provision of poultry farming be based on sub location level 2. Need more fertilizer
TRANSPORT AND INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Maintenance and repair of previously constructed roads 2. Rehabilitation and completion of roads i.e. sabatia,mudungu,nabwani
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	<ol style="list-style-type: none"> 1. Increase empowerment fund 2. Brick making to be considered 3. Construction of modern sheds bodaboda

HEALTH SERVICES	<ol style="list-style-type: none"> 1. Ensure sufficient drug supply 2. Water supply needed 3. Need more nurses 4. Facilities to work 24/7
EDUCATION SCIENCE AND TECHNOLOGY	<ol style="list-style-type: none"> 1. Construction of three streamed ECD centres 2. Hiring of ECD teachers 3. Equipping and construction of more classrooms at Gavudia polytechnic 4. Hiring of adequate staff at polytechnic 5. Acquiring more land for future expansion of youth polytechnic 6. Increase bursary allocation
GENDER, CULTURE, YOUTH AND SPORTS	<ol style="list-style-type: none"> 1. build a rescue centre in the ward 2. build childrens home 3. training sports ground to nature talent 4. empower local clubs

EMUHAYA SUB COUNTY

WATER AND ENVIROMENT	Construct Eburnangwe water project
AGRICULTURE	Construction of agricultural institute at coffee factory land
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	Construction and expansion of Ebusirstasi market
HEALTH	<p>Construction of maternity wards in Ematsuli and Esiarambatsi wards</p> <p>Construction of a laboratory Ematsuli facility</p>

EDUCATION	Construction of Milimani polytechnic Feeding programme and equipping ECD schools
TRANSPORT	Construct bridges Ebukhuluti bridge Lighting of market centres
GENDER AND SPORTS	Purchase lands for sports
HEALTH	Ebukolo dispensary should be fenced and electrified and connected with water Upgrade and staff Nzalwa CVT
EDUCATION	Improve modern ECD and staffing.
WATER AND ENVIROMENT	Complete Ebuyalu water tank upgrade springs like Siboi
TRANSPORT	Maintain all roads culvert and bridges
GENDER YOUTH AND SPORTS	Construct Ebhanga stadium
CENTRAL BUNYORE	
HEALTH	Expansion of esirulo dispensary Equio emusire health centre Complete essaba and ebuhayo health centres Construct emukunzi health
LANDS	Construct esirumba bridge Buy land foremukunzi health centre
TRANSPORT	Proper drainage and bridges
EDUCATION	Upgrade Assebo ECD
WATER	Renovate Ebivalo Emachichi water springs Construct Malumbalamba water Construct Wamuluchi springs

HAMISI SUB COUNTY	
GROUP 1	
TRANSPORT	Repair and maintain maji makuu kirimani primary Jeprongo Jekajembari roads
HEALTH	Complete and equip health dispensary at Gamei Jirani Jimojeji Misirigwa and Jeprongo
EDUCATRION	Provision of bursary Equip primary schools with enough rooms and teachers especially at Banja and Shamakhokho
GROUP 2	
WATER AND ENVIROMENT	Provide clean water pipe and chlorinate water
HEALTH	Free treatment and medicine availed Provide enough nurses and doctors
TRANSPORT	Finish Senende Kamukuywa road Wandoni bridge construction Widen roads
AGRICULTURE	Avail more vet doctors Avail seeds Subsidies prices for fertilizers Avail market for our product
LANDS	Reduce cost of acquiring land title deeds Avail offices in all sub county
EDUCATION	Free Educatiob Launch food programme Provide free education
GROUP 3	

TRANSPORT	Tarmac Majengo Hamisi Shamakhokho Senende road
HEALTH	Need health centreBat bumayange More staff at Jerwani facility Additional ambulance Biuld a laboratory
WATER AND ENVIROMENT	Renovation af water springs Fence all forest Borehole piped water
AGRICULTURE	Provive quality seeds Regular agric seminar Need for vaccination and AI services Subsidise fertelisers prices
EDUCATION	Build Vocational Training Centers at Shamakhokho More ECD teachers
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	Street lighting at Hamisi, Banja, Seremi and Gambogi Market stalls to be constructed at Shamakhokho, senende, Hamisi and Gambogi
SPORTS	Enhance youth empowerment

LUANDA SUB COUNTY

MWIBONA	
EDUCATION	Equip Ematete polytechnic More fund allocation Enhance bursary for the needy Improve ECD teachers salary Construct enough classes

AGRICULTURE	Provide all relevant subsidused services and provide hybrid services Research and extension services Enhance dairy and poultry Training of farmers Completion Mukhakhala slaughter house
ENVIROMENT AND WATER	Piped water to be completed Emukusa attraction site should be conserved
HEALTH	Completion of dispensary staffing and equipping them Upgrade ebusubi and complete maternity wing
GENDER AND CULTURE	Build cultural and resource center Tap sports talents
LANDS	Upgrade houses for the less fortunate Subsidies electricity for households
TRANSPORT	Expand and maintain feeder roads Improve bridges and drainages
TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP	Construct mwibona market to decongest Luanda market Completion of livestock market Put street light

LUANDA TOWNSHIP

PROGRAMME	PROPOSALS
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES Agriculture	<ul style="list-style-type: none"> • Soil testing – Should be done by agricultural experts to improve the level of farming.

<p style="text-align: center;">Livestock</p> <p style="text-align: center;">Fisheries</p> <p style="text-align: center;">Cooperatives</p>	<ul style="list-style-type: none"> • Training local people on modern farming and technology eg irrigation during dry seasons. • Provision of subsidized farming equipments and seedlings. • Provision of fertilizers to improve crop production. • Introduce chicken rearing and provide chick incubators • Consideration of cattle dips, artificial insemination and other services by cost reduction. • Provision of high breeds to the community to improve farmers livelihoods. • Monitoring veterinary services. • Provision of ideal species of fish for marketing • Allow or provide fish ponds to those who are next to rivers and also fish feeds for the fish. • Provide better fishing equipment eg fishing nets. • Offer treatment services to the fish ponds to avoid losses. • County Government to chip in for formation of cooperatives. This will enable the public access loans easily. • Offer basics through trainings
<p>LANDS, HOUSING AND PHYSICAL PLANNING</p>	<ul style="list-style-type: none"> • Accessibility to title deeds for land was an issue and members demanded for reduced rates for people who own plots.

<p style="text-align: center;">Lands</p> <p style="text-align: center;">Housing and Physical planning</p>	<ul style="list-style-type: none"> • Construction of modern houses to be handled by registered architect in Vihiga County to serve town residents • Affordable building materials and low cost housing schemes to be factored in per sub county.
<p>TRANSPORT & INFRASTRUCTURE</p>	<ul style="list-style-type: none"> • Urgent construction of rural roads, culverts and bridges for good road network and proper maintenance
<p>I TRADE, INDUSTRY, TOURISM AND ENTREPRENEURSHIP</p>	<ul style="list-style-type: none"> • Building industries and factories for farm products such as fruits eg avacado, bananas, mangoes, pawpaws and for our natural resources eg stones. • Market provision for locally produced goods to be emphasized. • Provision of loans and formation of chamas to boost trade. • Structuring local markets • Provision of natural resources and culture preservation for tourist attraction. • Commercial sheds for optimum operation for even twenty four hours through enough street lighting. • Construction of an actual modern hotel
<p>HEALTH SERVICES</p>	<p>Members complained on part of health facilities that were in dire need of:-</p> <ul style="list-style-type: none"> • Medical equipment's • Theft of drugs thus insufficient drugs • Employ more nursing staff • Upgrade health services and facilities • Provision of free nets to all public • Establish Research centers • Provision of Ambulance services to avoid deaths • Employ more skilled community health workers for better services to public.

	<ul style="list-style-type: none"> • Ensure affordable/Better maternal health care and offer healthy services. • Provision of mobile clinics to partner with local facilities in the county
<p>EDUCATION SCIENCE AND TECHNO</p> <p style="text-align: center;">Education</p>	<ul style="list-style-type: none"> • Preprimary units to be increased and personnel to be provided. • Primary schools to be assisted to have computer labs and enough sanitary facilities. • Addition of funds for bursaries • Construction of more county libraries and polytechnics to keep youths occupied and busy • Employ more qualified teachers considering ECD teachers too. • Adopt a feeding programme in schools. • Initiating programmes that will benefit the youths
COUNTY EXECUTIVE	<p>Members saw the need in:-</p> <ul style="list-style-type: none"> • Regional balance in employment of employees in the county. • Integrity should be adopted in employment. • Encourage vetting of officers • Eliminate ghost workers to avoid high wage bill
<p>ADMINISTRATION AND COORDINATION OF COUNTY AFFAIRS</p>	<p>They requested for:-</p> <ul style="list-style-type: none"> • Provision of security to public • Local people be engaged in other duties considering unemployed youths • Chiefs and their Assistants to be facilitated to serve the public within recommended times. • Motivation be offered to staff. • Fight corruption among the officers in the County Government by strict supervision of programmes. • Ensure completion of projects
<p>GENDER, CULTURE, YOUTH AND SPORTS</p> <p style="text-align: center;">Gender</p>	<p>The participants observed a weakness in</p> <ul style="list-style-type: none"> • Specific areas of interest for men, women and the youth should be highlighted • Protection and preservation of Local Resources e.g stones and shrines.

<p style="text-align: center;">Culture</p> <p style="text-align: center;">Youth and Sports</p>	<ul style="list-style-type: none"> • Build more stadiums for sports to allow youths and children expose their talents. • Recreational services, fair recruitment of sports persons in the county • Have internal sports competition
<p>ENVIRONMENT, WATER ENERGY, AND NATURAL RESOURCE</p> <p style="text-align: center;">Environment</p> <p style="text-align: center;">Natural Resources</p> <p style="text-align: center;">Water and Forestry</p>	<p>Provision of more dust bins and gabbage collection to create a conducive environment thus avoiding air and water pollution</p> <ul style="list-style-type: none"> • Improved drainage system • Encourage tree planting • Water sources should be built eg Boreholes, Dams, Springs etc • Control sand harvesting as digging riverbeds has a direct impact on wells which residents rely on causing water problems making locals trek for tens of kilometers in search for water. <p>Implementation of forest Acts for protection of trees and riverbanks.</p> <ul style="list-style-type: none"> • Provision of treated and piped clean water to each homestead. • Provision of tree seedlings of various species to be planted. • Address deforestation related issues

