

REPUBLIC OF KENYA



GOVERNMENT OF MAKUENI COUNTY



THE COUNTY TREASURY

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Date: 16th October, 2023

Kevin Mutuku,
Clerk, Makueni County Assembly,
P.O. Box 572-90300,
WOTE, MAKUENI

Dear Sir,

RE: 2023 MAKUENI COUNTY BUDGET REVIEW AND OUTLOOK PAPER (CBROP)

Pursuant to Provisions of Section 118 of the Public Finance Management Act,2012, please find herewith the 2023 Makueni County Budget Review & Outlook Paper for consideration.

Sincerely,

DAMARIS MUMO KAVOI

COUNTY EXECUTIVE COMMITTEE MEMBER – FINANCE, PLANNING, BUDGET AND REVENUE AND HEAD OF THE COUNTY TREASURY

Cc:

1. H.E. The Governor
2. H.E. The Deputy Governor
3. Hon. Speaker- Makueni County Assembly
4. County Secretary

REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY



COUNTY TREASURY



COUNTY BUDGET REVIEW AND OUTLOOK PAPER (CBROP) - 2023

Theme

"Sustaining economic gains for inclusive development"

SEPTEMBER 2023

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FOREWORD

Public Finance Management Act, 2012 section 118 mandates the county governments to prepare the County Budget Review and Outlook Paper (CBROP). The 2023 CBROP provides a review of the budget performance for FY 2022/23 and economic outlook for the medium term. The paper also highlights the recent economic, fiscal projections and revenue strategies that will guide the alignment to the government's development priorities in the medium term.

The 2023 CBROP highlights the total amount of revenue collected against projected amount in the year under review. The paper gives an overview of how the actual expenditure performance of the FY 2022/23 has affected the financial objectives as detailed in the County Fiscal Strategy Paper (CFSP), 2022.

The paper is prepared at a time when Kenyan economy is recovering from a recession that had been triggered by inadequate rainfall for a couple of years, world economic and financial crisis due to war in Ukraine and Russia. The prices of basic commodities have remained high hence diminishing the purchasing power of people. The international trade has equally been affected due to high exchange rate due to depreciation in value for Kenyan currency driving to huge deficit in balance of payment.

The development of this paper has been aligned to Bottom-Up Economic Transformation Agenda in key priority areas of Agriculture, MSMEs, Affordable housing, Digital and Creative Economy and Health to stimulating the growth of the county economy and building resilience amongst the households. The paper is aligned to the County Integrated Development Plan 2023-27 with a focus on key areas; Water and Sanitation, Agriculture and Food Security, Health and Well-being, Trade and Industrialization. The Makueni County Annual Development Plan 2024/25 will guide the priorities to be considered to prepare budget for FY 2024/25.



DAMARIS MUMOKO KAVOI,

**COUNTY EXECUTIVE COMMITTEE MEMBER-FINANCE, PLANNING, BUDGET
AND REVENUE AND HEAD OF COUNTY TREASURY**

ACKNOWLEDGEMENT

The successful preparation of 2023 CBROP was as a result of well-coordinated efforts by many individuals who made valuable contribution to the process of developing the paper. I appreciate H.E the Governor, Mutula Kilonzo Jnr CBS and H.E the Deputy Governor, Lucy Mulili for their support and leadership toward the finalization of the CBROP 2023. We appreciate the County Secretary and the Head of County Public service, Justin Kyambi for immense support in preparation of the document.

I convey special appreciation to the County Executive Committee Member for Finance and Social -Economic Planning, Damaris Kavoi for her great contribution and leadership towards preparation of the document. The county executive committee members, chief officers and sector working group members also played a great role in the preparation of this document. The County Budget and Economic Forum (CBEF) also played a key role through consultation and providing inputs towards preparation of this paper. Special appreciation to the technical team led by Director Budget and Expenditure, Annastacia Muendo, Ag. Director Socio-Economic planning, Stanlus Matheka, Silvia Mbevi (Ag. Director FAS), David Kiuluku (Ag. Director PFM), Patrick Nzula (Deputy Director Policy, Strategy and Decentralized services), Jacklyne Kiting'o (Budget Officer), Jeremiah Mutunga (Budget Officer), Richard Mwendwa (Budget Officer) , Amos Bitok (Senior Economist), Charity Mumo (Economist), Evans Kisilu (Economist), Jacob Kyungu (Economist), Mathias Mbweli (Economist), Nathan Wahome (Economist), Hastings Mwangangi (Statistician), Nancy Mbithe (Office Administrator), Faith Musau (Accountant), Celestine Mutheu (Economist), Doreen Mueni (Economist) and Franklin Mambo (Economist). Their commitment led to the development of this comprehensive paper.



MUTUA BONIFACE,

CHIEF OFFICER- SOCIO-ECONOMIC PLANNING, BUDGET, REVENUE AND M&E

ABBREVIATIONS AND ACRONYMS

AI	Artificial Insemination
ANC	Antenatal Care
ARV	Anti-Retroviral
ATVETA	Agricultural Technical and Vocational Training Authority
CBR	Central Bank Rate
CBEF	County Budget and Economic Forum
CBROP	County Budget Revenue Outlook Paper
CFSP	County Fiscal Strategy Paper
CHUs	Community Health Units
CIC	Community Information Center
CIDP	County Integrated Development Plan
CIMES	County Integrated Monitoring and Evaluation System
DRM	Disaster Risk Management
FY	Fiscal Year
GCP	Gross County Product
GDP	Gross Domestic Product
GECA	General Economic and Commercial Affairs
GIS	Geographic Information System
Ha	Hectares
HHs	Households
HIV	Human Immunodeficiency Virus
HQ	Head Quarters
HQ	Head Quarters
ICT	Information Communication Technology
IFAS	Iron Folic Acid
IGAS	Income Generating Activities
IVAS	Internship Volunteerism Attachment System
KM	Kilometers
KNBS	Kenya National Bureau of Statistics
Kshs	Kenya Shillings
KUSP	Kenya Urban Support Project
KYISA	Kenya Youth In Sports Association
LIMS	Lands Information Management System
LPG	Liquefied Petroleum Gas
MARPs	Most At Risk Populations
MARUWAB	Makueni Rural Water Board
MCFDMA	Makueni County Fruit Development and Management Authority
MFPP	Makueni County Fruit Processing Plant
MKJ	Miradi Kwa Jamii
MSMEs	Micro Small and Medium Enterprises
MT	Metric Tonnes
MTEF	Medium Term Expenditure Framework
NCPWD	National Council for People With Disabilities
NHIF	National Hospital Insurance Fund
NLC	National Land Commission

NOFBI	National Optic Fiber Backbone Infrastructure
OPEC	Organization of the Petroleum Exporting Countries
OSR	Own Source Revenue
OVC	Orphaned and Vulnerable Children
PFMA	Public Finance Management Act
REREC	Rural Electrification and Renewable Energy Corporation
SDGs	Sustainable Development Goals
SGBV	Sexual Gender Based Violence
SMS	Short Messaging Service
UHC	Universal Health Coverage
USD	United States Dollar
USSD	Unstructured Supplementary Service Data
3D	Three Dimensional

EXECUTIVE SUMMARY

The County Budget Review and Outlook Paper (CBROP) is prepared according to the provisions of Section 118 of the Public Finance Management Act (PFMA), 2012. The 2023 CBROP provides a review of fiscal performance for the FY 2022/23 and how this performance impacts on the financial objectives and fiscal responsibility principles set out in the 2022 County Fiscal Strategy Paper (CFSP). It presents the analysis of policy changes in the 2022 CFSP and also reviews fiscal and sectoral performance for the FY 2022/23.

The FY 2022/2023 budget was Kshs. **9,832,783,562.00** which was revised upwards to Kshs. **10,764,741,885.50** representing a 9.5 percent increase. The increment was as a result of supplementing cash and bank balances, loans and grants balances carried forward from FY 2021/22. The budget comprised of recurrent budget Kshs. **7,485,986,556.21** (70%) and development budget of Kshs. **3,278,755,329.29** (30%). In the year under review, there was no variance in projected equitable share in CFSP 2022 and the printed estimates.

The real Gross Domestic Product (GDP) decelerated from a revised growth of 7.6 per cent in 2021 to 4.8 per cent in 2022 due to effect of COVID -19 and low agricultural production, owing to adverse weather conditions during the year. On the other hand, the nominal GDP increased from Kshs. 12,027.7 billion in 2021 to Kshs. **13,368.3 billion** in 2022. During the period under review, all economic activities registered positive growths except Agriculture, Forestry and Fishing, which contracted by 1.6 percent. Some of the key sectors that supported the growth in 2022 were Transportation and Storage (5.6%), Financial and Insurance (12.8%), Information and Communication (9.9%) and Accommodation and Food service activities (26.2%).

The FY 2023/24 revenues are projected to increase to Kshs. 10,568,289,780.00 from FY 2022/23 projections of Kshs. 9,832,783,562.00 representing an increase of 7 percent. The recurrent expenditure for the FY 2023/24 is projected to be Kshs. 7,342,391,532.00 an increase of 10 percent from Kshs. 6,660,769,154.00 in the printed estimates for FY 2022/23. The Development Expenditure is estimated to be Kshs. 3,299,934,083.13 representing 32% of the total County Budget.

The development theme for FY 2024/25 is 'Sustaining economic gains for inclusive development' and will be guided by the following objectives; to increase access to potable water, to improve production, productivity and food security, to enhance access to universal healthcare, to develop urban infrastructure, to automate government services, procedures and innovation and to mobilize resources through strategic partnerships.

CHAPTER ONE: INTRODUCTION

1.1. Background

1. The county Budget Review and Outlook Paper (CBROP) is prepared according to the provisions of Section 118 of the Public Finance Management Act (PFMA), 2012. The provisions state that:
 - a. A County Treasury shall—
 - i. Prepare a County Budget Review and Outlook Paper in respect of the County for each financial year; and
 - ii. Submit the paper to the County Executive Committee by 30th September of that year.
 - b. In preparing its County Budget Review and Outlook Paper, the County Treasury shall specify—
 - i. The details of the actual fiscal performance in the previous year, compared with the budget appropriation for that year;
 - ii. The updated economic and financial forecasts with sufficient information, to show changes from the forecasts in the most recent County Fiscal Strategy Paper;
 - iii. Information on— Any changes in the forecasts compared with the County Fiscal Strategy Paper; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
 - iv. Reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper, as well as proposals that address the deviation and the time estimated for doing so.
 - c. The County Executive Committee shall consider the County Budget Review and Outlook Paper, to approve it, with or without amendments, within fourteen days after its submission.
 - d. Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall—
 - i. Arrange for the Paper to be laid before the County Assembly; and
 - ii. As soon as practicable after having done so, publish and publicize the Paper.

1.2. The Objective of 2023 CBROP

2. The 2023 CBROP provides a review of fiscal performance for the FY 2022/23 and how this performance impacts on the financial objectives and fiscal responsibility principles set out in the 2022 CFSP. The 2023 CBROP provides;
 - a. Budget performance (estimated expenditure against the actual expenditure for FY 2022/23)
 - b. An analysis of policy shifts in the 2022 CFSP and the implication in the county
 - c. Information on any changes in forecasts, compared with the CFSP 2022.
 - d. The fiscal and economic outlook for FY 2024/25
 - e. Indicative sector ceilings for preparation of the FY 2024/25 budget and the MTEF period, guided by the PFM Act, 2012 and CADP 2024/25.
 - f. A review of revenue performance for FY 2022/23 and resource mobilization strategies to be implemented in the MTEF period.

CHAPTER TWO: REVIEW OF FISCAL PERFORMANCE IN 2021/22 FINANCIAL YEAR

This chapter presents an analysis of policy changes in the 2022 CFSP and FY 2022/23 budget and its implications in County development. It also reviews fiscal and sectoral performance for the FY 2022/23.

2.1. Fiscal Performance for FY 2022/23 in relation to financial objectives

3. The fiscal performance in FY 2022/23 was broadly in line with the financial objectives outlined in PFM Act, 2012 and 2022 CFSP.

The County achieved 82 percent (Kshs. 891.6M) of the projected own source revenue against a target of Kshs. 1.1 billion. This revenue outcome builds predictability in revenue projections for FY 2024/25 and over the medium term.

The overall County budget absorption rate for FY 2022/23 was 91 percent with recurrent absorption rate at 98 percent and development expenditure absorption rate 75 percent. The high absorption rate is attributed to timely implementation of programmes and projects as well as effective and efficient flow of funds from the National exchequer.

2.2. Analysis of 2022 CFSP against the FY 2022/23 Budget and the Implication in the County

4. The FY 2022/23 printed Budget estimates recorded a 1 percent negative deviation from the ceilings set in the 2022 CFSP. The reduction in revenue projections was due to downward revision of own source revenue targets. Over the medium term, the Government has enhanced its forecasting of revenues and expenditures to minimize deviations between the CFSP and the printed budget.

Table 1, summarizes comparison of key indicators of the 2022 CFSP and the FY 2022/23 printed budget estimates.

Table 1: 2022 CFSP Projections and FY 2022/2023 Budget Estimates

Expenditure Item	2022 CFSP Projections	2022/23 Printed Estimates	Variance
Revenues			
Equitable share	8,132,783,562	8,132,783,562	0.00
Own Source Revenue	920,000,000	850,000,000	70,000,000
Conditional allocations- Loans & grants	850,000,000	850,000,000	0.00
Total Budget	9,902,783,562	9,832,783,562	70,000,000
Expenditures			
Recurrent Total	6,768,652,708	6,660,769,154	107,883,554
Operations and Maintenance	2,434,859,734	2,309,191,187	125,668,547
Personnel Emoluments	4,333,792,974	4,351,577,967	-17,784,992
Development Budget	3,134,130,854	3,172,014,408	-37,883,554
Total	9,902,783,562	9,832,783,562	70,000,000
Percentage share of personnel emoluments	44%	44%	-25%

Expenditure Item	2022 CFSP Projections	2022/23 Printed Estimates	Variance
Percentage share of Operations and Maintenance	25%	23%	180%
Percentage share of own source revenue	9%	9%	100%
Percentage share of recurrent to budget	68%	68%	154%
Percentage share of Development Budget	32%	32%	-54%

Source: County Treasury

Positive variance shows reduction in printed budget estimates compared to CFSP ceilings whereas negative variance shows increase in printed estimates compared to CFSP ceiling.

5. The equitable share projection in the FY 2022/23 printed estimates and 2022 CFSP recorded no variation. Own Source Revenue (OSR) was revised downwards to Kshs. 850,000,000 from Kshs. 920,000,000 as projected in the 2022 CFSP. The decrease in revenue was as a result of revision of revenue projections based on the potential of the county revenue streams.
6. The projected conditional allocation (loans and grants) in the CFSP had no variation with the printed budget estimates of Kshs 850,000,000.
7. The proportion of projected operations and maintenance in the CFSP reduced from 25 percent to 23 percent in the printed budget estimates. This was occasioned by austerity measures put in place by the Government due to resource constraints.
8. In the FY 2022/23, the Government adhered to fiscal responsibility principles as outlined in PFM Act section 107. The County attained a development index of 32 percent with recurrent expenditures accounting for 68 percent.

2.3. CFSP Sectoral Ceilings Compared with the Printed Budget Estimates 2022/23

9. The printed budget estimates for FY 2022/23 had an overall variance of negative 1 percent from the Ceilings set in the CFSP resulting from revision of the OSR projections. The largest variance was recorded in Education, Social Protection, Culture and Recreation sector at (41%) due to increased demand for education projects from ward proposals. The allocation for the sector increased from the Kshs. 612,065,882.25 set in the CFSP to Kshs. 860,654,743.03. Health sector had no variance between the CFSP projection and the printed budget estimates. Figure 1, presents variance in CFSP sectoral ceilings and printed budget estimates.

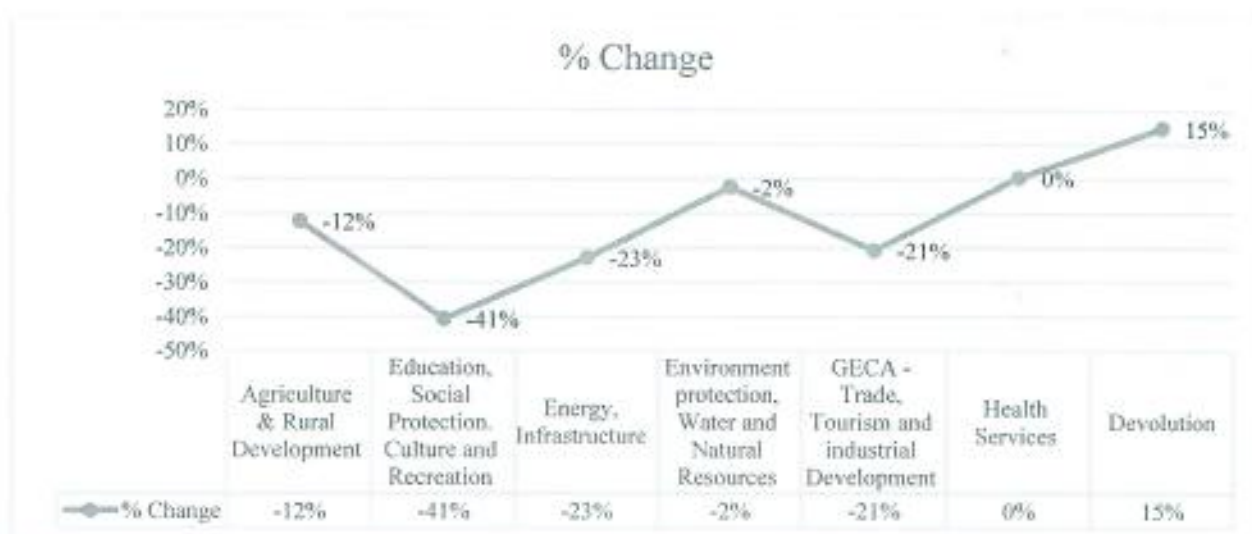


Figure 1: Sectoral analysis of variance between CFSP Ceilings and Budget estimates

Source: The County Treasury

Table 2, presents analysis of CFSP and Printed Budget Estimates recorded across sectors in absolute figures.

Table 2: 2022 CFSP Ceilings and Printed Budget Estimates

Sector	2022 CFSP Ceiling	Printed Budget Estimates	Variance	% Change
Agriculture & Rural Development	868,762,095	974,812,290	(106,050,194)	-12%
Education, Social Protection, Culture and Recreation	612,065,882	860,654,743	(248,588,861)	-41%
Energy, Infrastructure	468,312,927	575,550,189	(107,237,262)	-23%
Environment protection, Water and Natural Resources	632,187,843	646,775,932	(14,588,088)	-2%
GECA - Trade, Tourism and industrial Development	110,852,450	133,800,909	(22,948,459)	-21%
Health Services	3,409,127,623	3,395,678,197	13,449,426	0%
Devolution	3,801,474,741	3,245,511,303	555,963,438	15%
Total	9,902,783,562	9,832,783,562	70,000,000	

Source: The County Treasury

2.4. Financial Year 2022/23 Fiscal Performance

2.4.1. Deviations from the Original and Revised Budget Estimates

10. The County Government had a printed budget of Kshs. 9,832,783,562 which was revised upwards to Kshs. 10,764,741,886 representing a 9.5 percent increment. The increment was as a result of FY 2021/22 reallocation funds and alignment of projected own source revenues, loans and grants. The budget comprised of recurrent budget of Kshs. 7,485,986,556 (70%) and development budget of Kshs. 3,278,755,329 (30%). Table 3, presents the deviations from printed and revised budget estimates.

Table 3: FY 2022/2023 Printed Budget Estimates and Revised Budget Estimates

Expenditure Item	2022/23 Printed Estimates	2022/23 Revised Budget Estimates 2	Variance
Revenues			
Equitable share	8,132,783,562	8,132,783,562	0.00
Own Source Revenue	850,000,000	1,085,000,000	-235,000,000
Conditional allocations (Loans and grants)	850,000,000	443,890,646	406,109,355
FY 2020/21 Reallocation Funds	0	1,103,067,678	-1,103,067,678
Total Budget	9,832,783,562	10,764,741,886	-931,958,324
Expenditures			
Recurrent Total	6,660,769,154	7,485,986,556	-825,217,402
Operations and Maintenance	2,309,191,187	3,055,490,289	-746,299,102
Personnel Emoluments	4,351,577,967	4,430,496,267	-78,918,300
Development Budget	3,172,014,408	3,278,755,329	-106,740,921.29
Total	9,832,783,562	10,764,741,886	-931,958,324
Percentage share of personnel emoluments	44%	41%	8%
Percentage share of Operations and Maintenance	23%	28%	80%
Percentage share of own source revenue	9%	10%	44%
Percentage share of recurrent to budget	68%	70%	89%
Percentage share of Development Budget	32%	30%	11%

Source: County Treasury

Positive variance shows reduction in revised budget estimates compared to printed estimates whereas negative variance shows increase in revised budget estimates compared to printed estimates.

11. Revised budget estimates 2 were necessitated by review of conditional loans and grants by the National Treasury. Personnel emoluments increased by 8 percent occasioned by change of terms of engagement of staff in the County public service from contract to permanent and pensionable terms.

2.4.2. FY 2022/23 Revenue Performance

12. The FY 2022/23 Revised Budget was funded from four main sources namely; Equitable share – Kshs. 8,132,783,562 (76%), FY 2021/22 cash and bank balances – Kshs. 1,103,067,678 (10%), Own Source Revenue – Kshs. 1,085,000,000 (10%) and conditional allocations (loans and grants) – Kshs. 443,890,646 (4%). The overall revenue performance for FY 2022/23 was 98 percent (Kshs. 10,568,462,399) out of the total budgeted revenue of Kshs. 10,764,741,885. The performance increased by 4 percent compared to the 94 percent recorded in FY 2021/22. Table 4 and 5, presents the fiscal performance for FY 2022/23 and a comparison on actual revenues for FY 2019/20-FY 2022/23.

Table 4: Fiscal Performance for the FY 2022/23 (Kshs. Millions)

No.	Revenue Source	FY 2022/23 Revised Budget (2) Estimates	Performance as at Jun 30, 2023	Balance	Performance Rate (%)
1	Equitable Share	8,132,783,562	8,132,783,562	-	100%
2	Conditional Allocations	110,638,298	110,638,298	-	100%
3	Loans and Grants	333,252,347	330,376,873	2,875,474	99%
	Total Conditional allocations, Loans and grants	443,890,645	441,015,171	2,875,474	99%
	Other Revenues Sub Total	8,576,674,207	8,573,798,733	2,875,474	100%
4	County Own Generated Revenue- Other streams	670,000,000	423,545,087	246,454,913	63%
5	County Own Generated Revenue- AIA	415,000,000	468,050,901	(53,050,901)	113%
	Total OSR	1,085,000,000	891,595,988	193,404,012	82%
	Total OSR & Other Revenues FY 2022/23	9,661,674,207	9,465,394,721	196,279,486	98%
6	FY 2021/22 Reallocation Funds	1,103,067,678	1,103,067,678	0	100%
	Total Revenues	10,764,741,885	10,568,462,399	196,279,486	98%

Source: The County Treasury

Table 5: Comparison of Actual Revenues - FY 2019/20 – FY 2022/23 (Kshs. Millions)

Sources	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Budget	FY 2022/23 Actuals	Change 2021/22 Vs 22/23	% age change
Equitable share	6,769.18	7,464.93	8,132.78	8,132.78	8,132.78	0.00	0%
Conditional allocations (loans and grants)	1,090.63	1,184	498.86	443.89	441.02	-57.84	-12%
Own Source Revenue	435.58	527.5	749.41	1,085.00	891.6	142.19	19%
Reallocation Funds	1708.35	1998.42	1501.67	1103.07	1103.07	-398.60	-27%
Total	10,003.74	11,174.85	10,882.72	10,764.74	10,568.46	-314.25	-19%

Source: County Treasury

13. There was a 19 percent decrease in the absolute revenues realized in FY 2022/23 as compared to FY 2021/22 actual receipts. The decrease was attributed to reduced reallocation from the previous year and revision of conditional loans and grants.

2.4.3. Own Source Revenue

14. The own source revenue performance registered a growth of 19 percent from Kshs. 749,406,507 recorded in FY 2021/22 to Kshs. 891,595,986.24 in FY 2022/23. The increment was attributed to one government approach to enhance Own Source Revenue collection, enhanced absorption of universal health coverage under national scheme, upgrade of health centers to offer services that qualify for medical cover, entrenching cashless mode of payment through sensitization of customers and enhancing reporting of all revenues collected by County Government entities. The revenues posted a marginal increase in all the quarters as highlighted in table 6.

Table 6: Own Source Revenue Performance FY 2012/13 – 2022/2023 per Quarter

FY	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Total Actual
2012/2013	39,610,012	31,080,950	64,063,086	35,747,141	170,501,189
2013/2014	39,355,534	24,580,099	52,640,736	72,611,372	189,187,741
2014/2015	51,801,993	34,986,402	65,866,418	63,114,454	215,769,267

FY	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Total Actual
2015/2016	40,295,311	46,964,142	64,084,092	66,810,040	218,153,585
2016/2017	45,650,471	26,839,716	83,003,428	63,579,886	219,073,500
2017/2018	66,268,246	46,023,459	94,948,641	114,863,881	322,104,227
2018/2019	76,463,362	65,424,891	175,394,062	194,419,757	511,702,072
2019/2020	111,368,463	93,401,567	151,797,455	109,371,971	465,939,456
2020/2021	105,163,047	122,538,200	169,047,151	130,778,944	527,527,341
2021/2022	192,151,337	108,193,802	176,243,207	272,818,163	749,406,507
2022/2023	144,238,232	169,624,583	272,021,820	305,711,352	891,595,986

Source: County Treasury

15. The County also recorded a steady growth in the amount of Appropriation in Aid (AIA) mobilized by various Departments and County Government entities. This is expected to be enhanced in the medium term to ensure entities are self-sufficient.

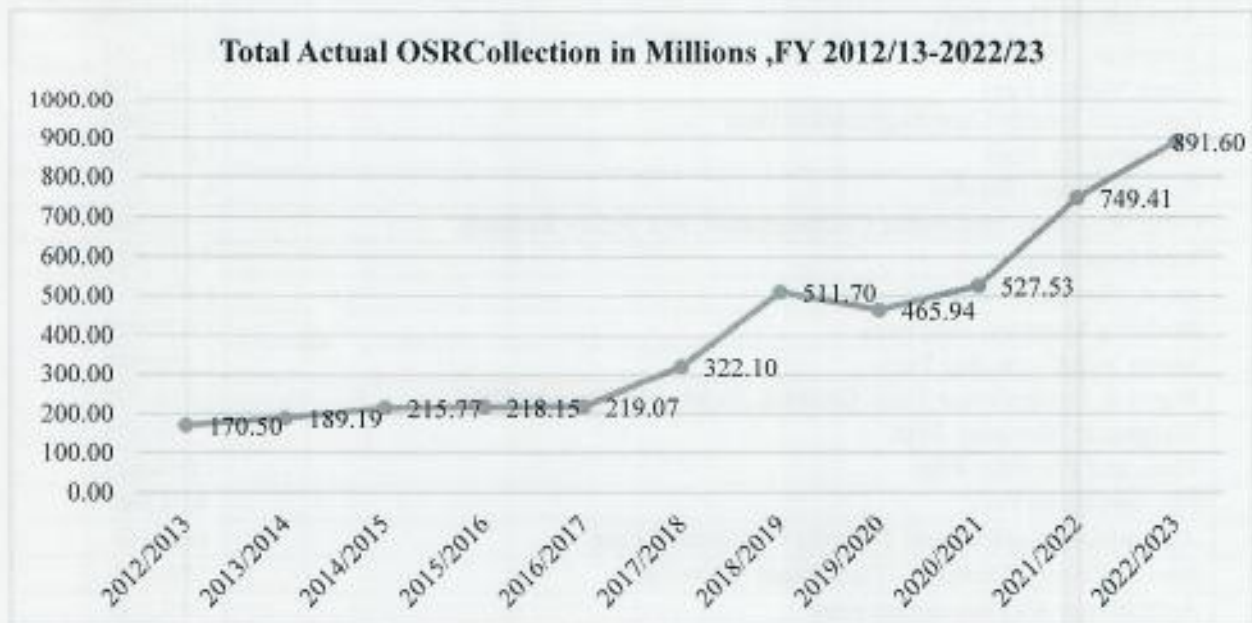


Figure 2: Annual Local Revenue Performance for FY 2013/14 – FY 2022/23

Source: County Treasury

2.4.4. Analysis by Revenue Streams

16. The revenue collected in the FY 2022/23 was raised from various revenue streams. NHIF Reimbursement, Single Business Permits /Application/Conservancy fees, Health FIF, Liquor License, Makueni Fruit Processing Plant, Sand Authority, Market Entrance Fee, Parking, Public health, Plot Rates/Rent Fees and other dues were the high contributors of Own Source Revenue streams. Table 7 presents FY 2022/23 revenue performance per stream.

Table 7: FY 2022/2023 Performance per Stream

No	Sources	Total (KShs.)
1.	NHIF and Linda Mama Reimbursement EDU Afya Fees	304,440,461
2.	Medical Health Services Fees	144,300,435
3.	Single Business Permits /Application Fees	122,089,290

No	Sources	Total (KShs.)
4.	Makueni Fruit Processing Plant Fees	51,207,000
5.	Liquor License Fees	46,830,100
6.	Sand Authority Fees	27,721,334
7.	Parking Fees	23,747,047
8.	Plot Rates/Rent Fees & other dues	22,222,548
9.	Market Entrance Fees	21,947,089
10.	Public health Services Fees	17,874,150
11.	Development Approvals Fees (all lands development fees)	15,350,680
12.	Direct deposits	14,455,145
13.	Advertisement & Wall Branding Fees	13,800,222
14.	Agricultural Cess Fees	13,777,120
15.	Veterinary Health Fees	8,087,243
16.	Stock Market Fees	6,903,168
17.	Universal Health Care Registration Fees	6,228,000
18.	Conservancy Fees	4,620,900
19.	Renewal Fees (<i>Kiosks</i>)	4,437,950
20.	Other Revenues (Insurance Compensation, and Salary Refund)	3,550,000
21.	Stall Rent Fees	3,211,025
22.	Stock Movement Fees	3,073,555
23.	Building Materials cess Fees	2,639,920
24.	Motor Veh/Cycle Reg Fees	2,250,949
25.	Water & Environment Fees- Consent, Nema, mining, penalties	1,835,530
26.	Weights & Measures Fees	1,116,075
27.	Fines and Penalties Fees	1,008,621
28.	Fire certificate Fees	829,500
29.	Agriculture- Agricultural Training Conference Fees	666,050
30.	Hire of County Facilities / Equipment /Gym Fees	520,000
31.	Agriculture- Mechanization Fees	340,250
32.	Community Information Centres Fees	268,890
33.	Coop Audit services Fees	245,740
	TOTAL OSR	891,595,986

Source: County Treasury

2.4.5. Expenditure Performance

17. The total expenditures for the Government for the year ending 30th June 2023 was Kshs. 9,779,891,001 against a budget of Kshs. 10,764,741,885. This represented an overall absorption of 91 percent an increase from 75 percent recorded in FY 2021/22.

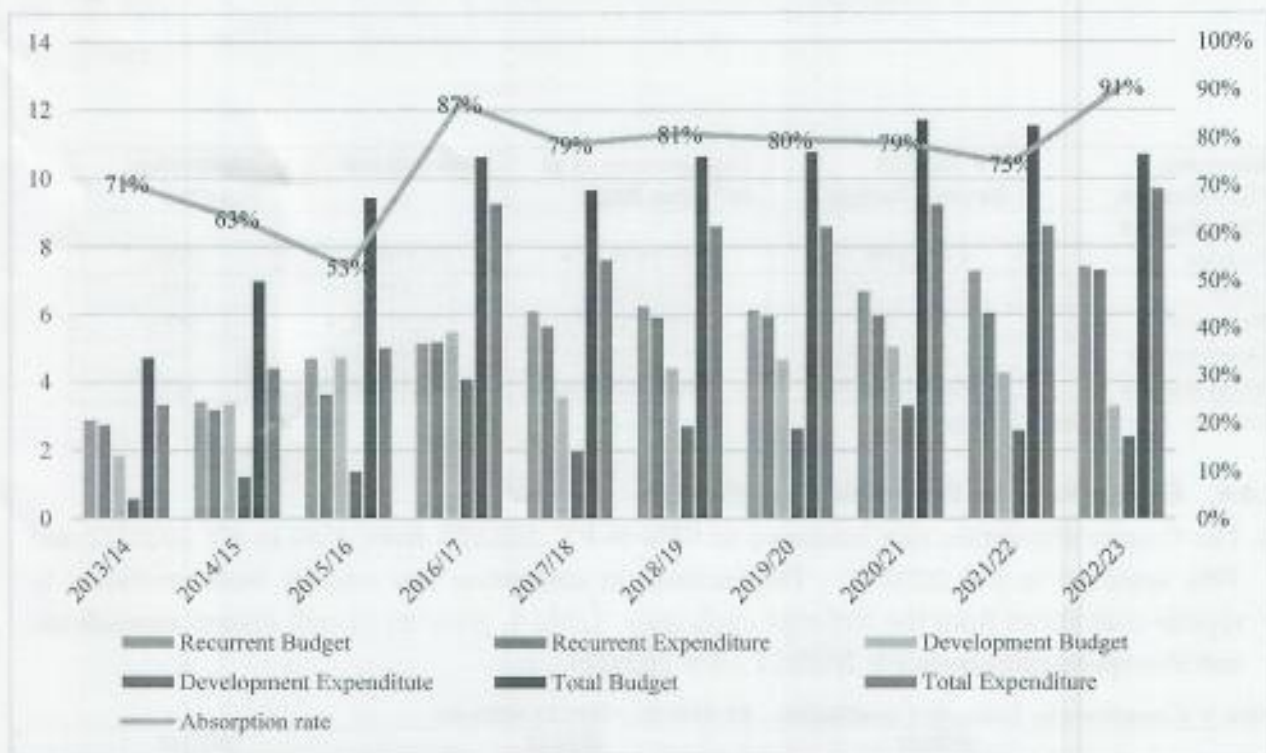


Figure 3: FY 2013/14 - FY 2022/23 Expenditure and absorption performance

Source: The County Treasury

18. The total County Executive budget for the year under review was Kshs. 9,808,966,757 while the County Assembly amounted to Kshs. 955,775,127. The overall County Executive expenditure for the period amounted to Kshs. 8,845,036,406 representing an underspending of Kshs. 963,930,352. The County Assembly overall absorption was 98 percent of the total allocated budget of Kshs. 955,775,127.
19. Overall recurrent expenditure for FY 2022/23 amounted to Kshs. 7,309,934,083 representing an absorption rate of 98 percent an increase from the 83 percent recorded in FY 2021/22. The development expenditure amounted to Kshs. 2,579,595,215 representing 79 percent absorption rate. This was a 19 percent increase from the 60 percent recorded in FY 2021/22. Table 8 presents expenditure in FY 2022/23 by economic classification.

Table 8: Expenditure by Economic Classification FY 2022/23 amount in millions

Economic Classification	FY 2022/23 Revised Budget 2	Expenditures as at 30 th June 2023	Vote balance	Absorption Rate(%)
County Executive				
Salaries	4,067,217,931	4,053,389,618	13,828,313	100%
O&M	2,503,227,310	2,341,975,195	161,252,115	94%
Recurrent	6,570,445,241	6,395,364,813	175,080,428	97%
Development	3,238,521,517	2,560,309,891	678,211,626	79%
Sub Total	9,808,966,758	8,955,674,704	853,292,054	91%
County Assembly				
Salaries	364,390,782	363,648,801	741,981	100%
O&M	551,150,534	550,920,469	230,065	100%
Recurrent	915,541,316	914,569,270	972,046	100%
Development	40,233,812	19,285,324	20,948,488	48%
Sub Total	955,775,128	933,854,594	21,920,534	98%

Economic Classification	FY 2022/23 Revised Budget 2	Expenditures as at 30 th June 2023	Vote balance	Absorption Rate(%)
Total Budget				
Salaries	4,431,608,713	4,417,038,419	14,570,294	100%
O&M	3,054,377,844	2,892,895,664	161,482,180	95%
Recurrent	7,485,986,557	7,309,934,083	176,052,474	98%
Development	3,278,755,329	2,579,595,215	699,160,114	79%
Total Budget	10,764,741,886	9,889,529,298	875,212,588	92%

Source: The County Treasury

2.4.6. Expenditure by Economic Classification

20. The County absorption rate increased to 92% in FY 2022/23 from 75% in FY 2021/22 and 79% achieved in FY 2020/21. The increase in absorption has majorly been attributed to regular cash flows from the National exchequer. Table 9, presents overall county expenditure and absorption rates from FY 2020/21 – FY 2022/23

Table 9: Expenditure by Economic Classification – FY 2020/21 – 2022/23(Millions)

Expenditure Item	2020/21			2021/22			2022/23		
	Budget	Expenditure	Absorption	Budget	Expenditure	Absorption	Budget	Expenditure	Absorption
Salaries	4,032.68	3,817.71	95%	4,357.28	3,743.40	86%	4,431.61	4,422.44	100%
O&M	2,641.29	2,121.39	80%	2,912.61	2,284.42	78%	3,054.38	2,892.89	95%
Recurrent	6,673.97	5,939.10	89%	7,269.89	6,027.82	83%	7,485.99	7,309.93	98%
Development	5,031.12	3,310.95	66%	4,274.95	2,579.52	60%	3,278.76	2,579.59	79%
Total	11,705.10	9,250.05	79%	11,544.84	8,607.34	75%	10,764.75	9,889.52	92%

Source: The County Treasury

2.5. County Sectoral Performance

2.5.1. Water, Environment and Natural Resources Sector

21. Access to safe and reliable water is indisputably a key development outcome and is critical in the realization of Makeni Vision 2025 and the Sustainable Development Goals (SDGs). The county has invested heavily in water harvesting since inception of devolution. Significant milestones have been attained with the distance to the nearest water point reducing, and some wards on the verge of attaining universal water access, where citizens can access water within a radius of 2 Kms. This is a significant drop from an average of 8 Kms in 2013. The percentage distribution of households by time taken to fetch drinking water shows that 65.5 percent take less than 30 minutes.
22. In FY 2022/23, the sector was allocated Kshs. 775,284,231 which comprised of Kshs. 673,361,255 from water department and Kshs. 101,922,984 from the Sand Management and Conservation Authority. The sector spent Kshs. 539,263,118 which was 70 percent absorption rate. The absorption rate comprises Kshs. 460,424,279 spent under water and Kshs. 78,838,840 incurred by the Sand Authority. The absorption rate represented a seven percent increase from the 63 percent absorption rate recorded in FY 2021/22 and was also the second highest over the last five years.

Budget vs Expenditure and Absorption Rate



Figure 4: Sector budget and expenditure Performance (FY 2017/18 – FY 2022/23)

Source: County Treasury

23. The sector focused on water harvesting, ground water development and rural water supply aimed to increase the proportion of households accessing water. Under water harvesting, one medium size earth dam, six small dams and six sand dams with sump tanks were constructed. A total of 22 urban centers were connected with reliable piped water and three treatment facilities were constructed. On underground water development, 20 boreholes were drilled and developed, with 167 kilometers of pipelines established, 58 water points and 60 water tanks installed. To improve water governance, the Makueni Rural Water Board (MARUWAB) was established to manage rural water schemes for sustainability. In addition, 72 committees were trained on water resource management while 3,000 community members were sensitized on water governance.

Table 10: Water, Environment and Sanitation Sector Performance

Key Output	Key Performance Indicator	FY 2022/23	
		Target(s)	Actual Achievement
Increased No. of households accessing water	No. of Boreholes drilled and developed	65	47
	No. of water projects with pipeline extension	98	53
	No. of earth dams constructed	50	29
	No. of sand dams / water sumps constructed	7	6
Improved water governance	No. of Rural water Boards in Place	1	1
	Establishment of water fund	1	1

2.5.2. Agriculture and Rural Development Sector

24. Agriculture remains the key driver of economic growth accounting for 22.4 percent of the country's Gross Domestic Product (GDP) (Economic Survey 2022). Agriculture is the driver of the county's economy with 78 percent of the households involved in agriculture and agriculture related activities. The sector contributes 27.7 percent of the total Gross County Product (GCP) based on the KNBS Gross County Product Report 2023. The sector priorities

and interventions were geared towards achieving the county's long-term goal of increasing households' income and establishing a food-secure county.

25. The departmental approved budget for FY 2022/23 amounted to Kshs. 1,046M that comprised of Kshs. 756.2M (72.27 percent) allocated to development expenditure and 290M (27.73 percent) for recurrent expenditure. The department recorded an annual expenditure of Kshs. 963.9M which represented an absorption rate of 92 percent which is the highest over the last five years. This was attributed to improved financial planning and management practices, including efficient budget execution and monitoring and a surge in demand for agricultural services by the citizenry.

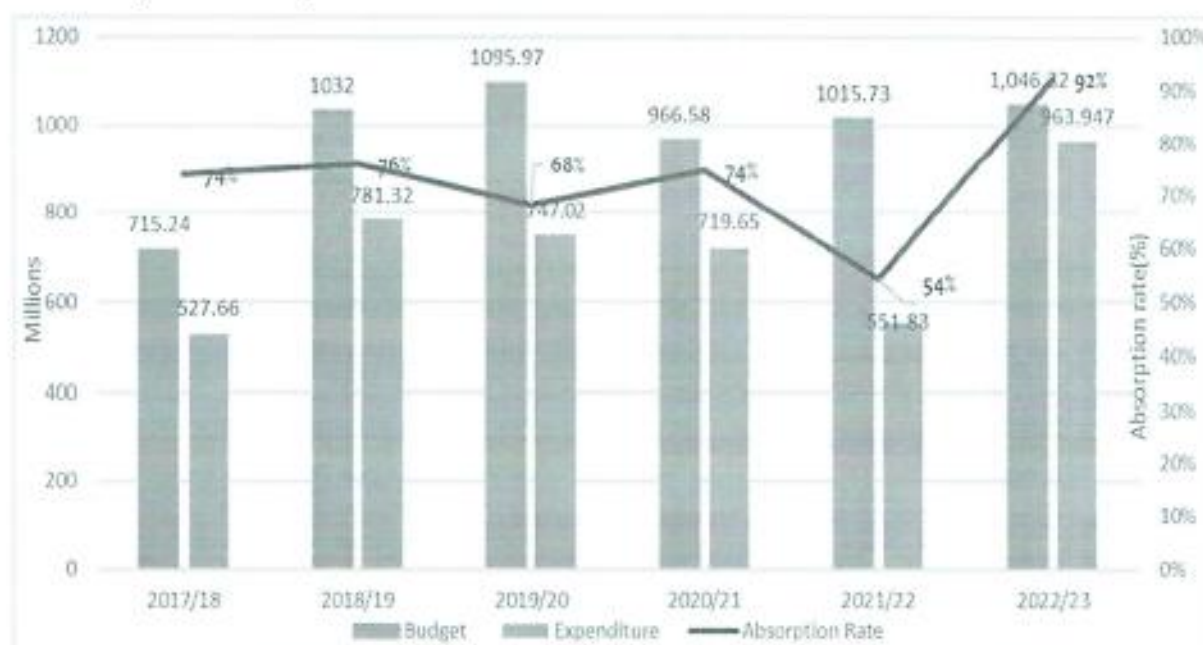


Figure 5: Expenditure trends Department of Agriculture, Irrigation, Livestock, Fisheries and Co-operative Development

Source: The County Treasury

26. During the year under review, there was an increase in production of tomatoes from 25,285MT to 88,331MT. The sector however recorded a drop in production and productivity of several crops as follows: cereals dropped from (MT) 96,560 to 81,336, legumes from 183,007 to 149,349; citrus from 192,335 to 127,308; mangoes from 281,425 to 245,345, kales from 25,214 to 11,033 and macadamia from 878 to 814. This was as a result of low rains and prolonged drought. However, the sector has achieved a meaningful meat production in the year with mutton, poultry, fish and beef recording large quantity in MT over the year compared to last financial year as follows; fish increased from (MT) 9 to 15, chevron from 2,509 to 2,635, poultry from 5,669 to 7,129 and beef from 4,559 to 4,787.
27. There was notable reduction in milk and honey production as follows, milk from 27,758,000 litres to 22,206,000 litres while honey dropped from 628MT to 602MT over the year. Approximately 60 percent of the farmers adopted new technologies which is an increase of 5

percent as compared to FY 2021/22. The sector also managed to distribute seedlings to farmers as follows; 0.73 tons of cotton (MT), which is a drop as compared to FY 2021/22 which was at 1.3. The county established 32 model tree nurseries. The number of inseminations was 3,066 which was an increase from 41.

28. The number of households practicing irrigated agriculture through pond excavation subsidies increased from 112 to 213 as are result of stakeholder involvement. Area (Ha) of land under irrigation increased from 165 to 215. The percentage of farmers practicing run-off water harvesting increased from 60.5 percent to 65 percent with area under soil and water conservation increasing from 90,500 Ha to 96,450 Ha.
29. There was a 10 percent increase in farmers' satisfaction with extension services rising to 70 percent from 60 percent in FY 2021/22. The sector trained 2,833 youths to provide essential crop and livestock husbandry practices during the period under review as compared to FY 2021/22 where 1,345 youths were trained. Vaccination of livestock increased from 117,000 in FY 2021/22 to 142,896 in FY 2022/23. Vaccination of birds also increased from 150,000 in FY 2021/22 to 192,946 in FY 2022/23. Vaccination of dogs was 1,267 just as in FY 2022/22.
30. Over the period, the County had been faced by successive rainy season failures greatly affecting food security, seed bulking and necessitating relief food supplies. The County distributed a total of 125MT of certified seeds (Maize, Sorghum, Beans and Green Grams) benefiting 200,779 farmers across the county. Relief food supplies was also distributed to aid struggling county population from hunger that was ravaging the County.
31. Over the year, Makueni County Fruit Processing Plant in Kalamba processed mangoes into 619MT of puree. A total revenue of 51M was generated from the Processing Plant.

Table 11: Key Performance Indicators Achievement

Result/Outputs	Key performance indicator	Previous year achievements (2021/22)	Actual achievements FY 2022/23
Increased agricultural production and productivity	Quantity of cereals (maize, sorghum, millet) produced annually (MT)	96,560	81,336
	Quantity of legumes (Beans green grams, cowpeas, pigeon peas) produced (MT)	183,007	149,349
	Quantity of citrus fruits produced annually (MT)	192,335	127,308
	Quantity of mangos produced annually (MT)	281,425	245,345
	Quantity of avocados produced annually (MT)	7,375	7,143
	Quantity of tomatoes produced annually (MT)	25,285	88,331
	No of fruit-producing farmer cooperatives linked to the Makueni fruit processing plant	4	2
	No of established fruit nurseries	21	32
	Quantity of kales/cabbage produced annually (MT)	25,214	11,033
	Quantity of sisal produced annually (MT)	6,279	-6,485
	MT of macadamia produced annually	878	814
	Quantity of cotton produced Annually (MT)	611	683
	Quantity <i>Bt</i> cotton seeds distributed (MT)	1.3	0.74
	Ha under improved pasture management	-	8000
	Quantity of beef produced annually (MT)	4559	4787
	Quantity of poultry meat produced annually (MT)	5669	7129
	No of eggs produced(crates'000)	1304	1,174

Result/Outputs	Key performance indicator	Previous year achievements (2021/22)	Actual achievements FY 2022/23
	Quantity of fish meat produced annually (MT)	9	15
	Quantity of mutton and chevron produced annually (MT)	2509	2635
	No. of liters of milk produced annually (000)	27,758	22,206
	Quantity of honey produced annually (MT)	628	602
	Value of livestock product (Kshs. '000)	-	10,705,786
	No. of AI inseminations	41	3066
	No. of operational fish hatcheries	1	1
	Proportion of farmers are accessing crop/livestock insurance services	-	9%
	Proportion of farmers adopting new technologies	55	60
	Rangeland rehabilitated (Ha)	-	8000
	No of folder bales realized	3222	8000
	No of mother orchards established	0	0
	No of certified tree nurseries established	2	32
	No of farmers trained on good agricultural practices	3000	4500
	No of breeding sheep and goat distributed	-	637
	Climate change adaptation	No of farmers sensitized on crop and livestock insurance	-
No of weather advisories developed and disseminated		2	2
No of household practicing irrigation agriculture through subsidies pond excavation		771	213
Soil and water conservation practices promoted	Ha put under irrigation farming	165	215
	Proportion of households practicing run off water harvesting	60%	65%
	Ha under soil and water conservation (through agroforestry, terracing and farm water harvesting)	91500	96450
	Length(km) of terraces laid and constructed	145	400
	No. of conservation Zai pits	-	181,000
	Area of conserved farm land	950	1190
Improved agro processing and value addition	Area of conserved pasture land	-	1178
	MT of mangos purchased by the plant from farmers	1182	997
	MT of fruits processed	1182	997
	Value of mangos purchased from farmers by the MCFDMA (Kshs.)	19,792,121	21,238,500
	MT of mango puree produced	619	539
	Value of puree produced by the MFPP (Kshs.)	-	44,598,960
	Total revenue generated by the processing and market authority	-	51,207,000
	No of operational milk cooling facilities	18	19
Makueni integrated value addition plant and Kasikeu grain milling plant	No of operational poultry slaughter-houses	0	0
	No of cold storage facilities operationalized	0	2
	No of value addition plant equipped and operationalized	0	0
	No of stock yard rehabilitated	0	0
	No of cottage industries supported	0	10
Enhanced agricultural extension services	No of honey group supported with machinery and packaging	24	1
	No of fresh produce aggregation centers established	0	0
	No of farm families profiled	0	0
	% of farmers satisfied with extension services	60%	70%
	Proportion of farmers trained on good livestock and crop husbandry practices	-	30%
	% of farmers in organized livestock and crop groups	-	20%
	No of community extension volunteers recruited to disseminate agro-skills	191	0

Result/Outputs	Key performance indicator	Previous year achievements (2021/22)	Actual achievements FY 2022/23
	No. of extension workers recruited to enhance extension services	18	0
Reduced incidences of Livestock and crop pest and diseases	% reduction pre/post-harvest losses	-	-
	No of plant and livestock clinic held at sub-county level	0	0
	% of livestock population at risk vaccinated.		
	No of livestock vaccinated	Livestock 117,000 Birds 150,000	Livestock 142,896 Birds 192,946
	No of laboratories operationalized	0	0
	No of outreach veterinary camps	8	8
	Number of dogs vaccinated against rabies	1267	908
	No. of mango farmers capacity-built fruit fly traps	-	4500
	No. of citrus fruit farmers trained on citrus management	-	4500
Developed agricultural modern data and information management system	Operational agriculture data and information management system	0	0
Agricultural training center	No of agricultural training centers strengthened and equipped into a ATVETA	0	1
Enhanced participation of youth in agriculture	No of youth trained to provide essential crop and livestock husbandry practices	2833	1345
Strengthen policy, legal and regulatory framework	No of policies and regulation developed	1	2

2.5.3. Transport, Infrastructure, Public Works, Energy and ICT Sector

32. The sector plays an important role in supporting economic development, improving living standards and enabling technological advancements. In FY 2022/23, the infrastructure department had a total budget of Kshs. 708 million. A total of Kshs. 616 million was spent in the FY representing an absorption rate of 87 percent, which was an increase from 82 percent attained in FY 2022/23. Figure 6 illustrates budgetary allocation, expenditure and absorption rate trend.



Figure 6: Sector budgetary allocation, expenditure and absorption rate since FY 2017/18 to 2022/23.

Source: County Treasury

33. During the period under review the department managed to open 328.6 km of roads, grade 2,500km of roads and rehabilitate 97.8 km of roads through gravelling. In addition, 1,200M of culverts were constructed, 24 drifts and 670 gabions installed. To actualize the green roads initiative a total of 80,808.5 M3 of catch water drains were excavated. This was done through community empowerment programmes such as *Ajira Kwa Vijana*, Community Led Development currently *Miradi Kwa Jamii* (MKJ).
34. To improve access to energy, 636 households were connected to power, 12km of extension lines and 6 transformers were installed under the REREC matching grant programme. The government installed 10 streetlights and 5 high mast floodlights to enhance night business visibility and deter criminal activities.
35. Government services automation was improved through the launch of 'My County App', a platform that enables the county to digitize services under one access channel. A web-based inventory management system for both pharmaceuticals and non-pharmaceuticals was also established in 13 health facilities. Additionally, revenue collection systems were integrated and cashless payments introduced through multiple self-service access channels such as mobile app, Unstructured Supplementary Service Data (USSD), agency banking and direct deposits.
36. The sector supported the integration of LIMS (Lands Information Management System) with the E-Revenue Management System thereby offering significant benefits in managing land-related information and revenue generation. Digital literacy programs for personal competency development was enhanced through promotion of technology innovations at the Makeni ICT Hub, 12 community ICT centres, *Ajiry Centre* and Safaricom Engineering Community capacity building programs targeting to empower youth in the digital economy. Currently, 688 trainees have graduated in various ICT courses across the 14 different centers

within the county since July 2022 to-date. Overall, digital literacy rose from 37% in 2018 to 57 % in 2022. The sector also made efforts in upgrading ICT infrastructure for connectivity at the county HQ across all departments and established Internship Volunteerism Attachment System (IVAS) an online portal for attachment applications and placements.

37. The government constructed was constructed Darajani Community Information Center (CIC) to enhance ICT skill development in the community. To promote Technology and Innovation the sector opened Makueni Tech and innovation Hub space for entrepreneurs and programmers to access. The hub has reached over 1,000 people through its initiatives geared toward building tech skills. A total of 100 participants have been trained on 3D printing. Further, 5 innovations developed in the hub participated in the Kenya Innovations Week dubbed innovation Jamhuri.

Table 12: Sector Performance of key sector indicators

Program	Indicator	Baseline (2021/2022)	Performance (2022/2023)
Road improvement	KM of new roads constructed	782.2	370
	Number of kilometers of roads improved to gravel	117.1	150
	No of drainage structures constructed	1017M of culverts, and 478 gabions	1200M of culverts
	No of cut off drains constructed through Roads for water	50,000m3	80,000M3
	No. of new drifts/sand dams constructed	36	25
	No. of KM of the existing roads graded	1,340	2,500
Energy development and promotion	No of Solar Street lights installed	50	0
	Number of floodlights installed	5	5
	Number of electricity street lights	36	10
	Electricity connection from 25% to 60% of HHs by 2023	25.2%	25.22%
ICT	% of county services automated	33%	35%
	Number of SMS sent out	2,500,000	2,500,000
	% of website up-to-date	21%	85%
	Number of county institutions interconnected	1	1(all county departments)
	Number of ICT centres constructed, equipped and operationalized	1	2
	Number of community members trained	1300	688

Source: Roads, Transport, Infrastructure and Public Works Sector, Makueni County

2.5.4. Health Services Sector

38. The goal of health services sector is to provide equitable, affordable and quality healthcare to all citizens. The government has focused on strengthening and scaling up cost-effective, preventive and promotive healthcare system with special attention to controlling communicable and non-communicable diseases, reproductive health, child-health and emergency services.

39. In FY 2022/23, the sector recorded an expenditure of Kshs. 3,792,091,584 against a budget of Kshs. 3,986,717,810 representing an absorption rate of 95 percent which was the highest absorption rate for the last five years. The high absorption rate is explained by strengthening planning and budgeting process and increasing demand of county health services which has improved since the onset of devolution. The departmental expenditure constituted personnel emoluments 62 percent, operations and maintenance 26 percent and development expenditure 12 percent.
40. The sector has been receiving an increasing budget allocation across the five years under review. This is attributed to increasing cost of provision of healthcare services.

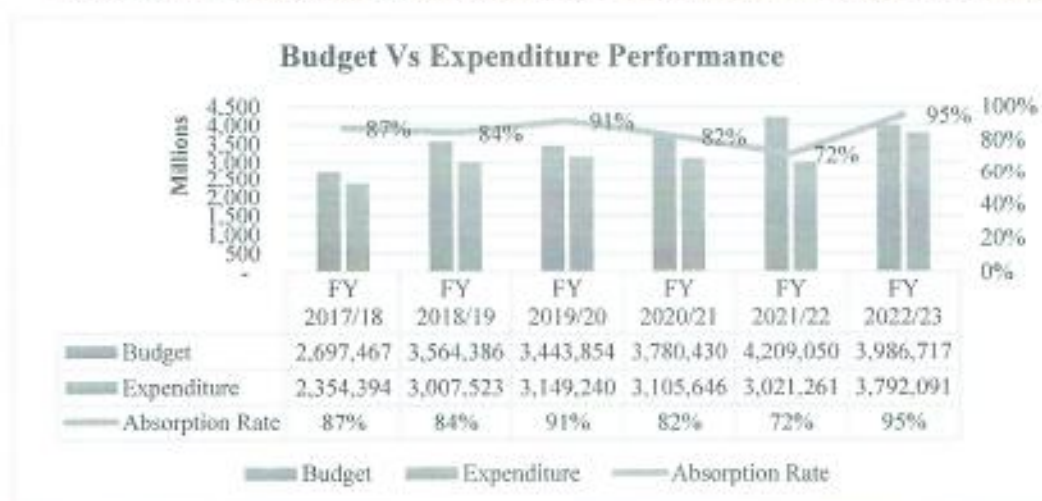


Figure 7: Analysis of Health services sector budget, Budget performance for FY 2017/18-FY 2022/23 Allocation & Expenditure and absorption rates.

Source: The County Treasury

41. During the plan period, immunization coverage improved from 92% to 98%. Deliveries conducted by skilled personnel rose from 84% to 88%. Percentage of pregnant mothers attending at least 4 Antenatal Care (ANC) visits improved from 64 to 68. On improving nutrition status of the community, ANC mothers supplemented with Iron Folic Acid (IFAS) rose from 99% to 100% while the proportion of children aged 6 to 59 months supplemented with vitamin A increased from 77% to 82%. The proportion of expectant women living with HIV currently on ARV rose from 98% to 99.4%, while the proportion of positive clients linked to care was 100% in FY 2022/23. These successes are attributed to availability of trained service providers, community sensitization and availability of the health commodities and technologies. Community Health Units (CHUs) remained at 240. Sanitation and hygiene in schools improved tremendously with 84% of schools attaining required hygiene standards and 72% of school-going aged 12 - 59 months being dewormed.
42. In curative services, the average length of stay reduced from 5.4 days to 4.5 days while the death rate reduced from 11% to 9.6%. This was attributed to enhanced mortality audits and improved referral system. Laboratory services improved with 50% of health facilities having sample referral networks and 65% of laboratories enrolled in external quality assurance schemes. The drug fill rate during the plan period was average 65%. During the plan period,

44,000 households were registered under Makueni Care Scheme. National Hospital Insurance Fund (NHIF) coverage increased from 10% to 15% of county population.

Table 13: Summary of performance of selected health indicators

Programme	Key Performance Indicator	FY 2022/23	
		Target(s)	Achievements
General Administration & Planning	Proportion of staff complying	100%	100%
	% of infrastructure projects fully completed	100%	57%
Programme 2: Curative & rehabilitative health care services	% of facilities stocked with essential drugs	70%	65%
	% of facilities with lab services	39%	39%
Preventive and Promotive health care services	% of mothers delivering under skilled personnel	90%	89%
	% of children aged 6 to 59 months supplemented with Vit A	100%	76%
	% of children under one year fully immunized	100%	98%
	% of women receiving family planning	60%	62%

Source: Department of Health Services

2.5.5. Education, Social Protection and Recreation Sector

A. ICT, Education and Internship Department

43. In FY 2022/23, the Department had a total allocation of Kshs. 675,184,957. Out of this allocation, Kshs. 464,780,755 was for Recurrent and Kshs. 210,404,201 for Development. The department absorption rate for the year was 90 percent an increase from 87 percent recorded in FY 2021/22.

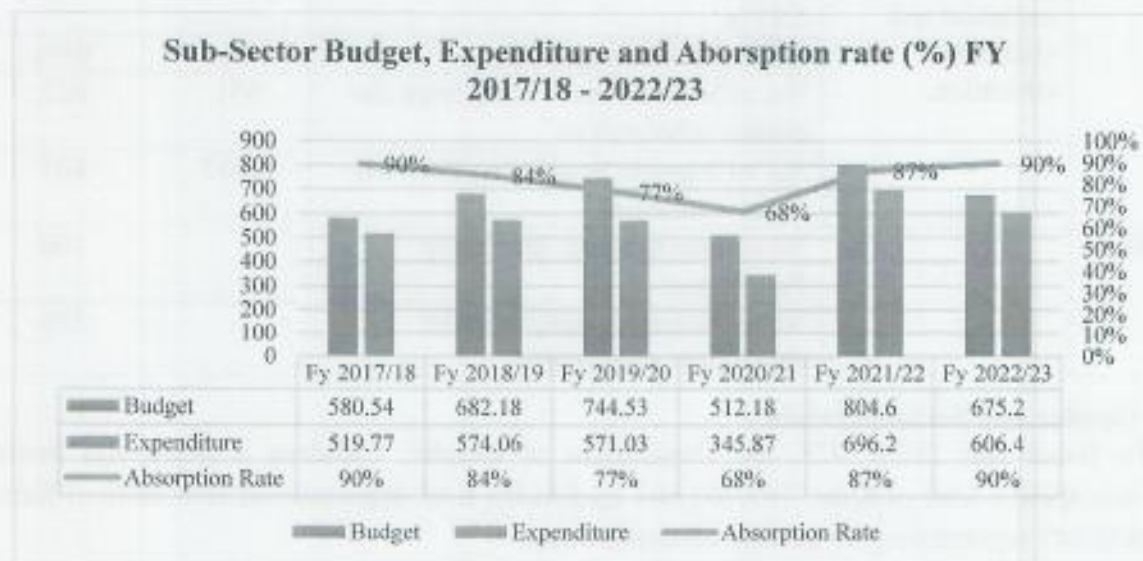


Figure 8: ICT, Education and Internship Sub-sector Budget and Expenditure trend

Source: County Treasury

44. **Early Childhood Development Education (ECDE) Programme.** Key achievements under the programme include; completed construction of 22 new ECDE classrooms while construction of 15 ECDE classrooms were ongoing at the close of the financial year. Digital learning program was launched, ECDE teachers trained and 2,058 learning devices issued to ECDE centers across the county. To promote talent among the learners, the sector sponsored ECDE learners to participate in Music festivals from cluster to national level.

45. **County Technical Training Institutes (CTTI) programme.** Key achievements under the programme include; 18 infrastructure development projects, Kshs. 23,823,278 capitation to 4,496 students in the 59 CTIs and the County Technical Training Institute Board of Governors Guidelines, 2023 developed.
46. **Support to education programme.** Key achievements under the programme include; 607 students issued with bursaries, and 663 students benefitting under the county scholarship programme.
47. **Internship, Mentorship and volunteerism programme.** Key achievements under the programme include; 558 youths engaged on attachment, 98 youths benefitting from internship opportunities and one mentorship forum held.

Table 14: Summary of ICT, Education and Internship Sub-Sector Indicator Achievements

Program	Objective	Indicators	Baseline 2021	Achievement 2022
Education and training	To enhance access to quality and relevant pre-primary, technical and vocational education.	Number of children joining pre – school (ECDE)	43,634	34,948
		ECDE Retention rate (%)	91%	97%
		Number of trainees enrolled in CTIs	5048	4,496
		CTI Retention rate (%)	96%	96%
		No. of learners benefitting from the county scholarships	531	663
		No. of learners benefitting from the county bursaries	2,862	607
Internship		No of Interns under internship Programme		100
		No. of attaches engaged under attachment programme		558

B. Gender and Social Services

48. In the fiscal year 2022/2023, the Department of Gender, Children, Culture and Social Services spent a total of Kshs. 163,763,664 against the total departmental allocation of Kshs. 175,823,347 representing 93 percent absorption rate.

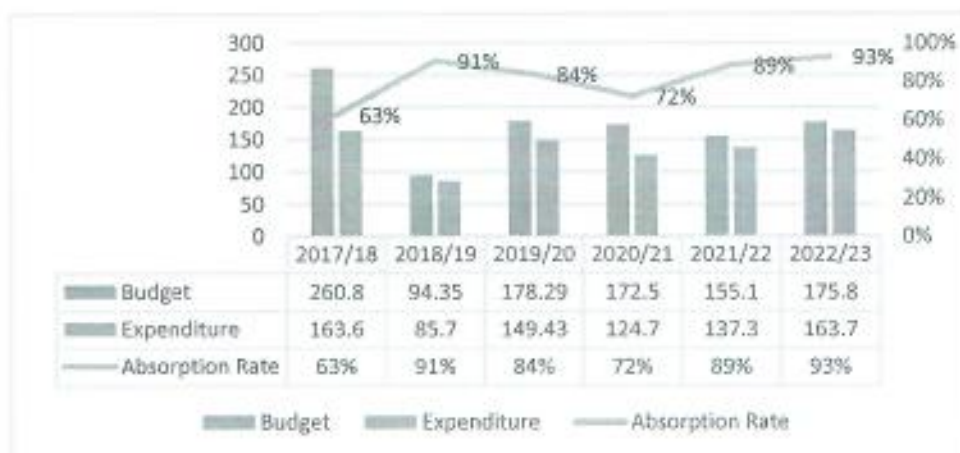


Figure 9: Gender and social services budget and expenditure trends

Source: County Treasury

49. To support the vulnerable, 24 small homes with a total population of 1,561 were supported with food stuffs. The enrolment at the Wote PWD Vocational Training Centre increased from 79 to 104 students. In partnership with NCPWD, 56 PWDs were issued with assorted assistive devices, 20 PWDs in school were supported with bursary and 6 PWDs groups were given grants to promote their income-generating activities. Under personal hygiene management, the Department reached 1,400 children with sanitation items. The Makueni County Child Protection and Development Centre (MCCPDC) was equipped. The NHIF insurance cover was extended to 210 elderly persons, and an additional 2,100 elderly persons received assistance in form of food and non-food items. The number of reported gender-based violence cases increased from 728 in FY 2021/2022 to 1,384 in 2022/2023 due to improved reporting network mechanisms.
50. The government implemented Makueni Youth Apprenticeship Program (MYAP) where 56 youths were attached to county projects in different departments to gain practical knowledge, skills and experience. In partnership with the Jua Kali chapter under *ujuzi teke teke*, 80 youths were placed on apprentice programme to enhance their skills.
51. Sporting activities in the county were promoted by; levelling of one playing ground; undertaking community-based league at ward level (*Ligi Mashinani*); Supa Cup tournament which comprises of the best teams from the wards. The best players from the Supa cup tournament were selected to participate in Kenya Youth Intercountry Sports Association (KYISA) games which were held in Meru County. To enhance and nurture talents among PWDs with intellectual disability, 12 athletes and 2 coaches were supported with sports gears to participate in world special summer games in Berlin, Germany.

Table 15: Summary of Gender and social services achievements in FY 2023/2024

Program	Objective	Indicator	Baseline 2021	Achievements in 2022
Social Protection	To reduce economic and social deprivation among the vulnerable population	Number of elderly persons supported with food and non-food materials	1,664	2,100
		Number of PWDs provided with assorted assistive devices and other material support.	1,081	1,591
		Number of OVC children supported with food materials, non-food materials, rescued, and offered psychosocial support	2,300	2,241
Gender Based Violence Mitigation	To reduce Gender Based Violence	No. of cases reported annually	748	834
Sports development &	To detect, identify, nurture and	No of sports talent academies and facilities established and operationalized	1	1

Program	Objective	Indicator	Baseline 2021	Achievements in 2022
Management.	promote sports talents in the County Sports in Makeni.	No of playfields rehabilitated and standardized	3	0
		Number of sports leagues (<i>Ligi-Mashinani</i> /Supa Cup/KYISA) conducted in the county	4	4
		No of young people involved in professional sports	15	20
		Number of federations officials, referees and coaches trained	504	504
Youth Empowerment	To enhance youth employability and skills	No of apprentices recruited and placed under Makeni Youth Apprenticeship Programme	281	281
		No of youth recruited and placed under <i>Ajira Kwa Vijana</i> Programme	164	164
		No of youth under <i>Ujuzi teketeke</i> Programme	132	132
		No. of <i>bodaboda</i> youth trained and licensed	1,421	1,421
		No. of youth under Makeni Youth in Agribusiness Empowerment project	1,244	1,244
		No of youth serving organizations supported through grants	2	2
		No of Youth Trained under Building and construction	750	750

Source: Social Protection, Education, Culture and Recreation Sector Working Group

2.5.6. General Economic and Commercial Affairs (GECA) Sector

52. In FY 2022/2023 the sector was allocated Kshs. 107,497,090 and spent Kshs. 98,177,343.65 translating to 91% absorption rate. This was contributed by change of government development policy on timely procurement and implementation of programmes and project.

GECA Sector Budget and Expenditure performance



Figure 10: Analysis of GECA Sector Budget and Expenditures for FY 2018/19-FY 2023/24
Source: County Treasury

53. During the period under review the sector carried out an exercise of vetting 444 MSMEs to participate in capacity building program, 87 sessions of advising were done with initial 55 identified clients and 13 sessions of basic skills to manage business effectively were done for 250 participants. The department inspected 732 premises, verified 5820 weighing equipment and collected a revenue of KSh. 1,052,140 during the Consumer Protection programme. The sector received a Small Business Development Centres USAID matching grant being run by USAID in conjunction with Strathmore University to capacity build, link to markets and financial services to MSMEs with Makeni County. The department supported local industries and staff to attend East Africa exhibitions in Uganda through the Cottage industries development programme. The Tourism Promotion development programme fund was utilized in developing tourism circuits and the launch of the same and also in supporting staff and few tourism stakeholders to attend annual tourism conference.

Table 16: Summary of Sector Performance

Programme	Indicator	Baseline 2021	Achievements 2022
Trade development and promotion	No. of MSMEs trained	35	444
	No. of trade infrastructure developed and renovated	5	3
	No. of weighing and measuring equipment verified	6026	5820
	No. of producers linked to market	0	30
	No. of stakeholders' fora held	1	2
Tourism and culture promotion	No. of circuits promoted	0	5
	No of cultural festivals and exhibitions held	1	3

2.5.7. Lands and Urban Development Sector

54. Land use and management are aimed at improving security of land tenure, management of land resource in the county, county urbanization, environmental protection and building climate change resilience. The county is urbanizing at 8 percent rate while the security of land tenure is 31.6 percent with county tree cover of 13.6 percent.
55. The sub-sector recorded an expenditure of Kshs. 296,225,089 against a budget of Kshs. 339,802,581 which represented an absorption rate of 87 percent, the highest absorption rate in the last five years. The expenditure on development programs was Kshs. 153,794,458.20 against a budget of Kshs. 141,059,155 representing 78 percent absorption rate. The budget constitutes Kshs. 114,290,136.26 from Wote Municipality and Kshs. 225,512,445 from Lands, Urban Development, Environment and Climate.

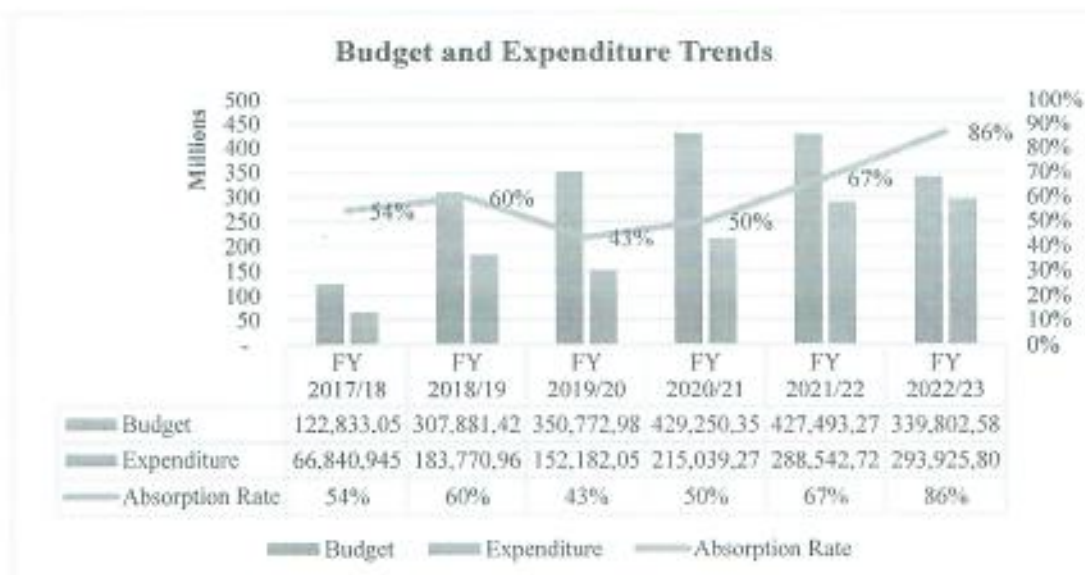


Figure 11: Budget performance for FY 2017/18-FY 2022/23 Allocation & Expenditure
 Source: County Treasury

56. Over the review period, the government established and operationalized Emali-Sultan Hamud municipality as well as approved its charter and appointed Municipal Board members. The government prepared plans for Makindu and Matiliku and finalized Wote township perimeter boundary as well as surveyed township plots. In partnership with National Land Commission (NLC) the government facilitated survey of Kathekani B adjudication section. Through the Kenya Urban Support Project (KUSP) programme grant, Wote Municipality constructed 1.1 km of urban tarmac road, and 1.5 km of pedestrian walkways. In addition, Mukuyuni Modern Market shed was constructed which upon its launch, will attract business opportunities and economic growth.
57. The government has enhanced the Land Information Management System (LIMS) to help generate land-based revenue. The government upgraded LIMS system and trained staff on GIS skills to upscale uploading of plot data and registration of plot owners into the system. Kikima dumpsite was established by providing an alternative site at Mukaatini forest.

58. Natural resource management was enhanced through catchment protection, environmental education and environment compliance activities. During the period under review, 137,000 trees were planted, 120 environmental inspections conducted, 189 markets covered under the market cleaning programme, 7 market toilets constructed, 2 sand harvesting sites rehabilitated and gully restoration at Malibu and Ngwili Ndilo areas done. Participatory Climate Risk Assessment (PCRA) was undertaken in all the 30 wards of the County. In the efforts to build resilience of communities from the effects of climate change, the County Climate Change regulations were developed, the County Climate fund board strategic plan was developed, a grievance redress mechanism was established and an action plan on mitigation and adaptation actions was developed and approved.

Table 17: Key Performance Indicators Achievement

Outcome	Key Performance Indicator	FY 2022/23	
		Target(s)	Achievements
Improved land administration and management	No. of M & E reports prepared on quarterly basis	4	4
	No. of department's meeting held	12	12
Improved Physical Planning and Urban Development	GIS installation	1	1
	Percentage of land digitized	50%	30%
	No of land use plans implemented	6	3
Improved security of land tenure	No of markets survey	3	4
	No. of titles issued	1000	0
	No of land Parcels purchased	10	
SP4.1 Mining mapping & development	No of artisanal committees prepared	2	0
Enhanced Environment management and protection	No of Glass Recycling plant constructed	1	0
	No of toilet constructed	11	9
	No of sessions conserved	5	3

2.5.8. Devolution Sector

59. The Devolution sector comprises Governorship, County Attorney, Finance and Socio-economic Planning, Devolution, County Administration and Public Service, County Public Service Board (CPSB), and County Assembly (CA). The departments and agencies are enablers and they play the coordinating and facilitative role in the government service delivery. They also provide overall policy direction and leadership to the county government, coordinate policy formulation, resource mobilization, allocation and management, participatory development, oversight and legislation, monitoring and evaluation, and human resource management.

60. During FY 2022/23, the total sector budget was KSh 1,993.81M, a decline from KSh 2,518.39M in FY 2021/22. The expenditure for the period was KSh 1,882.62M a decline from KSh 2,295.74M during the previous financial year. The overall absorption rate for the sector

was 94 percent an improvement from 91percent in the previous financial year. Table below shows the comparison of the budget and the expenditure across the respective departments within the sector.

Table 18: FY 2022/23 Departmental Absorption rates

No	Department	Revised Budget II	Expenditure	Absorption rate
1.	Governorship	251.10	234.88	94%
2.	County Secretary	487.49	482.99	99%
3.	County Attorney's Office	14.46	13.48	93%
4.	Department of Devolution, Public Service, Public Participation and Special Programmes	306.17	301.86	99%
5.	Department of Finance, Planning, Budget and Revenue	860.58	777.84	90%
6.	County Public Service Board	74.01	71.57	97%
Total		1,993.81	1,882.62	94%

61. Overall, the sector recorded a considerably high absorption rate of allocated resources. This was attributed to improved financial planning and management practices, including efficient budget execution and monitoring and a surge in demand for public services by the citizenry. The department of Devolution and the Office of the County Secretary recorded the highest absorption of 99 percent in the fiscal year while the Office of the County Attorney recorded the lowest budget execution rate within the sector of 93 percent.

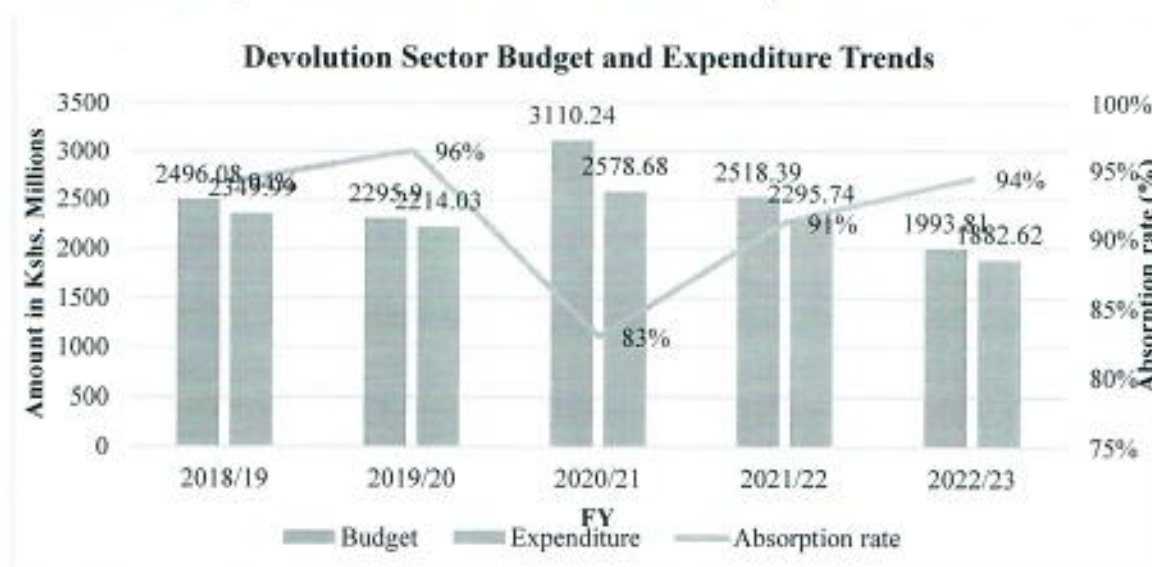


Figure 12: Devolution sector budget and expenditure trend for FY 2018/19-FY 2022/23
Source: County Treasury

62. In the FY 2022/23, the county government undertook public service reforms aimed at promoting integrated service delivery. These include reorganization of government through the Executive Order No. 1 of the county government; training of champions in productivity

and performance measurement and ensuring adherence to the national values and ethics within the county public service.

63. The county stepped up efforts in resource mobilization with an aim of improving fiscal discipline and accountability. For FY 2022/2023, the county generated Own Source Revenue amounting to 892M, representing a 19 percent increment from the previous year. Further, the county has strengthened partnerships with development partners and local development organizations.
64. The Sector developed key policy documents such as the County Integrated Development Plan 2023-27, County Fiscal Strategy Paper 2022 and the Annual Development Plan 2024/25. In addition, the government invested in data management and statistics which plays a key role in informing planning, budgeting and reporting. In collaboration with KNBS, the county government prepared and disseminated the County Statistical Abstract 2022, whose data informed policy and programme implementation across sectors. In addition, 30 Statistical Ward Profiles were prepared and disseminated to enhanced evidence-based decision making at decentralized units.
65. The establishment of the School for Devolution and Community Led Development provided a platform for enhancing devolution capacities and consulting for quality implementation of devolved functions. It has ensured providence of quality and affordable capacity development for county workforce and residence towards a working devolution. Further, the community driven development program has been transformed to *Miradi Kwa Jamii* (MKJ Project) and has ensured communities gain economic benefits directly while they create assets and enhance improvements in the village level development.
66. The sector enhanced disaster management by establishing a fire station at Makindu in partnership with Polish Aid. The disaster management unit has been responsive to disasters and emergencies where 23 emergencies were responded to in FY 2022/2023.
67. The county established the office of the County Attorney that supported county departments in finalizing seventeen county bills and policies. Makeni County Assembly effectively played their representation, oversight and legislation role to enhance service delivery.

Table 19: Key Performance Indicators Achievement

Result/Output	Key performance indicator	Previous year achievements FY 2021/2022	Achievements FY2022/2023
Improved fiscal discipline and accountability.	% increase in own source revenue	20	19
	% of county public debt to the county revenue	0	0
	Proportion of county budget funded by donor/ private sector		-
	Proportion of total government spending on essential services (education, health and social services.)	33	46
	% of county budget funded by own source revenue.	7.7	9
	No of unqualified audit opinion report.	1	0
Participatory	No of participatory development units	0	0

Result/Output	Key performance indicator	Previous year achievements FY 2021/2022	Achievements FY2022/2023
development units strengthened.	strengthened.		
	No of School for Community Led Development Established	0	1
	No of Center for Research, Documentation and Knowledge management Established	0	1
Village councils established.	No of village councils established.	0	0
Improved service delivery.	Customer satisfaction index	70	0
	Employee satisfaction index.	70	64
Service delivery centers established.	No of service delivery centers established.	0	1
County citizen feedback mechanism established.	Citizen feedback mechanism in place.	1	2
Civic education strengthened	No of people attending community civic education and public participation meetings held at the grassroots.	145,000	150,000
Disaster management and response plan developed.	Disaster management and response plan in place.	1	1 (draft)
Fire stations established.	No of fire stations established.	1	1
Reduced no of HHs affected by disaster (floods, fire etc.)	Proportion of HHs affected by disaster (flood and fire).	50	21 floods and landslides. 31 fire incidents (52)
Enhanced response to emergency response and disaster management	The average time taken to respond to disaster and emergencies (minutes)	45	30 (varying depending on proximity to fire stations, Wote and Makindu)
County legal system strengthened.	County attorney office in place.	0	1
	Operational county legal registry and library.	0	0
	Office of ombudsman in place.	0	0
	No of county bills and policies prepared and approved to support devolved functions.	-	-

CHAPTER THREE: ECONOMIC DEVELOPMENTS AND OUTLOOK

3.1. National Macro-Economic Performance

68. In 2022, the economy sustained the growth momentum that started in 2021, after the recovery from the effects of the COVID-19 pandemic that had significantly slowed down economic activity. However, the magnitude of growth was somewhat subdued by suppressed agricultural production, owing to adverse weather conditions during the year. The real Gross Domestic Product (GDP) decelerated from a revised growth of 7.6 percent in 2021 to 4.8 percent in 2022. Real GDP in absolute terms increased from a revised total of **KSh 9,395.9 Billion** in 2021 to **KSh 9,851.3 Billion** in 2022. This translated to an overall growth of 4.8 per cent in 2022 compared to a revised growth of 7.6 per cent in 2021. On the other hand, the nominal GDP increased from KShs. 12,027.7 billion in 2021 to KShs. 13,368.3 billion in 2022. Most of the sectors of the economy posted decelerated growths mainly due to the significantly high growths attained in 2021 that signified recovery from the economic downturn in 2020.

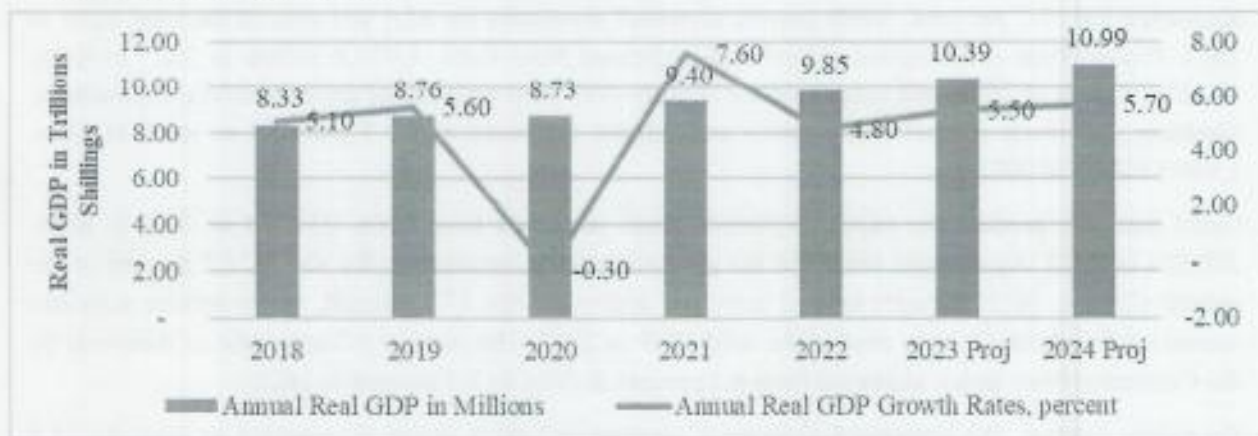


Figure 13: Real GDP and Real GDP Growth Rate, 2018-Projected 2023-2024

Source: Kenya National Bureau of Statistics, 2023

69. During the period under review, all economic activities registered positive growths except Agriculture, Forestry and Fishing, which contracted by 1.6 percent. Some of the key sectors that supported the growth in 2022 were Transportation and Storage (5.6%), Financial and Insurance (12.8%), Information and Communication (9.9%) and Accommodation and Food service activities (26.2%).
70. The period under review was characterized by a build-up of inflationary pressures as prices of various commodities increased. Inflation rose from 6.1 percent in 2021 to 7.4 per cent in 2022, mainly driven by a surge in food and energy prices. The OPEC reference basket crude oil prices per barrel rose by 43.3 per cent from USD 69.7 in 2021 to USD 99.9 in 2022, largely due to supply chain disruptions caused by the Russia-Ukraine war.
71. The Central Bank Rate (CBR) was reviewed upwards from 7.00 percent in December 2021 to 7.50 percent in June, 8.25 percent in October and 8.75 per cent in December 2022. As a result, average loans and advances interest rate rose to 12.67 percent in December 2022 from 12.16 percent in December 2021.

72. Real Gross Domestic Product (GDP) expanded by 4.8 percent in 2022 compared to a revised growth of 7.6 percent in 2021. The growth was spread across all sectors of the economy but was more pronounced in service-oriented activities. Agriculture, Forestry and Fishing sector contracted by 1.6 percent in 2022 compared to a contraction of 0.4 percent in 2021. This was attributed to drought conditions that characterized the period under review. Some of the key sectors that supported growth were Financial and Insurance (12.8%), Information and Communication (9.9%), and Transportation and Storage (5.6%). Nominal GDP increased from Kshs. 12,027.7 billion in 2021 to Kshs. 13,368.3 billion in 2022.
73. Despite slowing down significantly in 2022 in volume terms, agriculture remained the dominant sector, accounting for about 21.2 percent of the overall GDP in 2022. Industry-related activities accounted for 17.7 per cent, while service activities accounted for 61.1 per cent of the total GDP in 2022. Private final consumption expenditure increased from Kshs. 8,970.8 billion in 2021 to Kshs. 10,107.2 billion in 2022, and accounted for slightly over three quarters of gross domestic expenditure. Similarly, government final consumption expenditure increased by 12.3 per cent to stand at Kshs. 1,640.5 billion in 2022.
74. Gross domestic product per capita at current prices increased from Kshs. 237,861 in 2021 to Kshs. 260,024 in 2022. Agriculture remained the dominant sector, accounting for about 21.2 percent of the overall GDP in 2022. Industry-related activities accounted for 17.7 percent, while service activities accounted for about 61.1 per cent of the total GDP in 2022. The Annual inflation rate as measured by the Consumer Price Index increased from 6.1 percent in 2021 to 7.7 percent in 2022.
75. On public finance, the National Government revenue including grants is expected to grow by 14.9 percent from Kshs. 2,230.8 billion in 2021/22 to Kshs. 2,562.1 billion in 2022/23 while expenditure is expected to increase by 11.4 per cent from Kshs. 2,926.8 billion in 2021/22 to Kshs. 3,260.7 billion in 2022/23. Total stock of the National Government debt increased by 9.5 percent from Kshs. 8,095.8 billion in June 2021 to Kshs. 8,861.7 billion in June 2022.

Sectoral Performance

76. Most of the key agriculture sub-sectors recorded declined performance resulting to a contraction of 1.6 percent in the sector's gross value added in the year 2022. Drought in most parts of the country severely affected agricultural production. Maize production decreased from 36.7 million bags in 2021 to 34.3 million bags in 2022.
77. The manufacturing sector remained on a growth path in 2022, though the performance was relatively subdued compared to that of 2021. The sector's growth slowed down to 2.7 per cent in 2022 compared to 7.3 per cent in 2021. The decelerated growth was partly attributed to low agricultural production especially food crops that are the main inputs to agro-processing.
78. Information and Communication sector recorded a growth of 9.9 per cent in the period under review compared to a growth of 6.1 per cent in 2021. The growth was mainly supported by increase in mobile money transfers. The value of mobile money transfers increased by 15.1 per cent to stand at Kshs. 7.9 trillion in 2022.

National 2023 Outlook

79. The global economy is expected to decelerate in 2023 on account of tightening of monetary policies, high inflation, ongoing effects of Russia-Ukraine war and the lingering effects of COVID-19

pandemic. Despite the weak global growth outlook, Kenya's economic performance is projected to remain strong and resilient over the medium term. The economy recorded a strong growth of 5.3 percent in the first quarter of 2023 reflecting a strong recovery in agriculture sector and buoyant services sector including financial and insurance, information and communication, wholesale and retail trade and transport and storage. The economy is expected to remain strong and expand by 5.5 percent in 2023 and 5.7 percent in 2024

80. This growth will be supported by the strong recovery in agriculture and resilient services sector that both drive the industrial sector. The adequate rainfall during the 2023 long rain season in most parts of the country and the anticipated short rains later in 2023 will continue to support activities in the agriculture, electricity, and water supply sectors. The improved availability of raw materials following the recovery in agriculture and a decline in global commodity prices will support food processing in the manufacturing sector. Additionally, activities in the construction sector will be boosted by the affordable housing programme. Services sector will be supported by resilient activities in the financial and insurance, information and communication, wholesale and retail trade and transport and storage, among others. The easing of global commodity prices and supply chain constraints coupled with robust private sector investment are expected to support domestic demand.
81. The agriculture sector is likely to rebound in 2023 from two consecutive annual contractions supported by favorable weather conditions and subsidized fertilizer from the Government. Over the medium term, food inflation is expected to stabilize with the harvest season currently underway in most parts of the country. This trend is expected to continue with weather forecasts indicating possibility of El-Nino rains in various parts of the Country crossing over to the new year.

3.2. County Economic Performance and Outlook

County Economic Performance

82. The Gross County Product (GCP), evaluates the value of goods produced and services provided through production by economic agents residing in the County. As at 2022, Makeni GCP was at **KShs 120.54 Billion** having increased by 24% from **KShs 97.27 Billion** recorded in 2018 as shown in the figure 14 below. The Government's efforts to support businesses provide stimulus packages, and investment in infrastructure will help in the economic recovery and build resilience post COVID - 19.

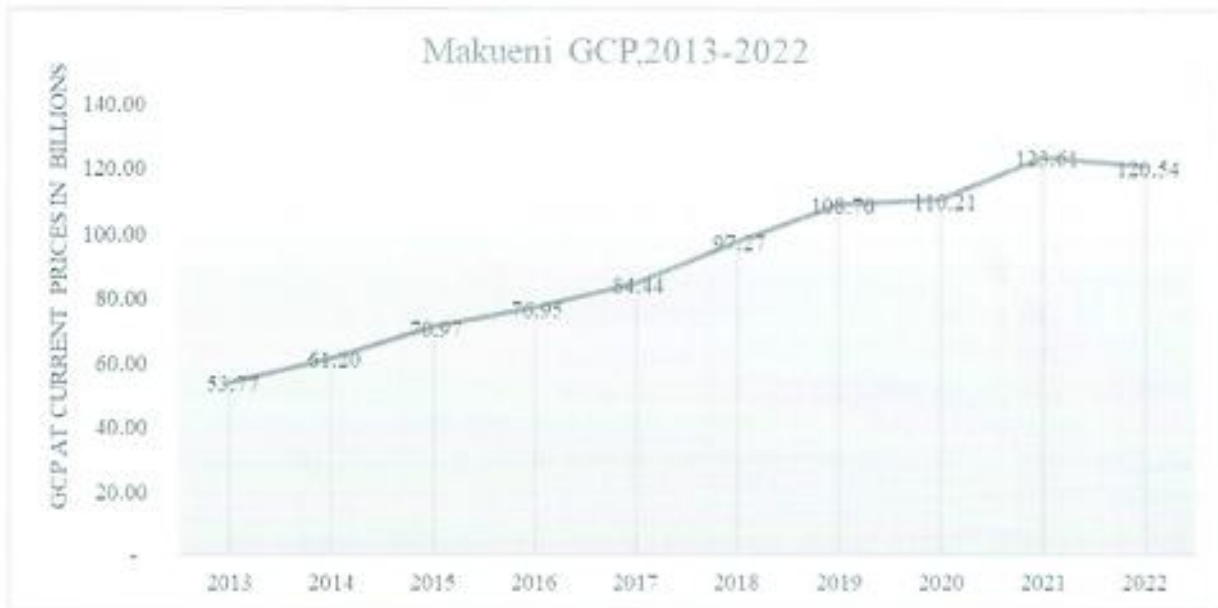


Figure 14: Makueni Gross County Product in Current Prices Kshs. in Billions

Source: GCP Report, KNBS (2023)

83. Agriculture, Forestry and Fishing activities were valued at **Kshs 33.40 Billions** and recorded the highest GCP in Makueni with a contribution of **27.7%** to the total GCP as at 2022. This represented a 4.7 per cent growth from **KShs 31.83 Billion** recorded in 2020. The public administration and defense sector contributed **12.91 Billion Shillings** to the economy, representing approximately 10.7% of the total economic output in 2022. This was the second largest sector implying that government spending on goods and services through payment of salaries, infrastructure development and provision of essential services within the county significantly contributed to the economy.

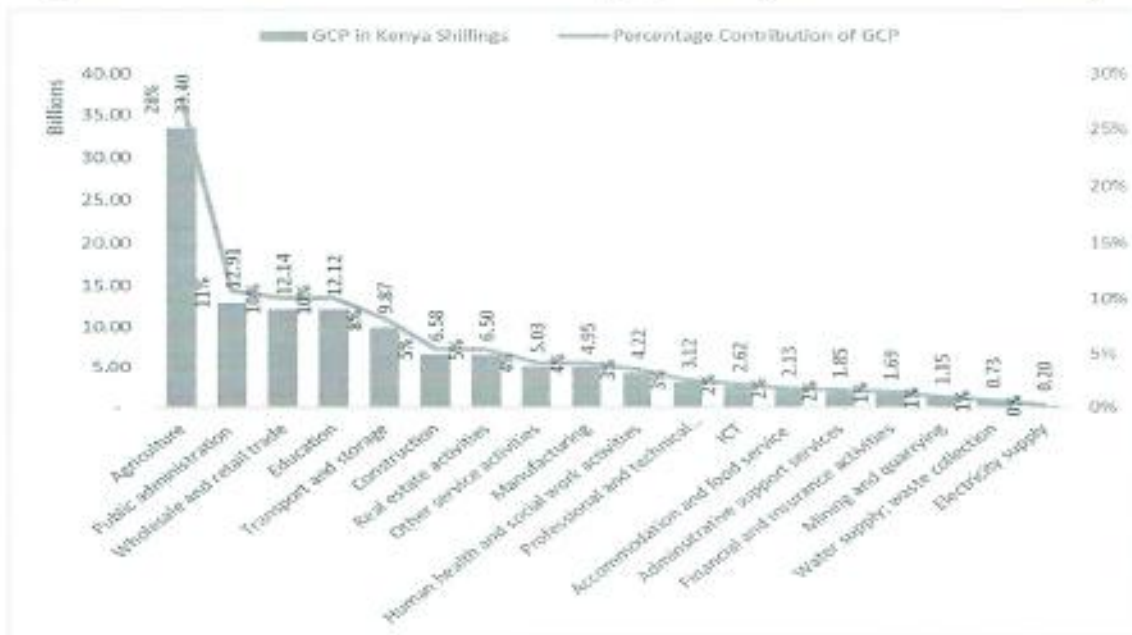


Figure 15: Gross County Product, 2023 contribution per sector

Source: GCP Report, KNBS (2023)

According to 2023 GCP Report, 72 percent of Makueni County gross product is contributed by the non-agricultural sectors which comprise service and industrial sectors. Implementation of the 2023 Finance Act that has an adverse on the cost of living will possibly derail growth in the service sectors in 2024.

County Sectoral Outlook

Agriculture

84. Agriculture plays a significant role in the county's economy, providing employment and income opportunities for the majority of the population. Agriculture, forestry and fishing is the largest contributor to Gross County Product in Makueni County at **27.7 percent** after a steady drop from 47 percent in 2017. Agriculture serves as the primary livelihood for the majority of households in the county, with 78 percent engaged in rain-fed farming and 18 percent involved in commercial farming. Erratic rainfall experienced in the last 6 seasons has immensely led to crop failure and suppressed own food production in the county. The county faces deteriorating food security due to the ongoing rise in food prices and the failed rains.
85. On the contrary, the 2023 October, November, December (OND) season is projected to yield high amounts of rainfall that will likely restore food security in the county. Efforts to modernize and improve agricultural practices in the county through the adoption of modern farming techniques, irrigation systems, and the use of improved seeds and fertilizers will enhance productivity and increase yields hence economic growth.

Water

86. Water systems both Built and natural in urban and rural areas have been affected by the depressed amounts of rainfall experienced in the county for the past several seasons. Water is essential for industrial, commercial and household activities in the County. Industries such as manufacturing and food processing require adequate water for production processes. Additionally, commercial establishments, such as hotels, restaurants, and recreational facilities, depend on water to provide services to residents and visitors. To realize benefits from this sector, the Government is investing in water infrastructure, promoting water conservation measures and good management practices. The availability of water supports the growth and sustainability of these sectors, contributing to the county's economic development.

Trade and Industry

87. Wholesale and retail trade and repair of motor vehicles was the third sector contributing **KShs 12.1 Billion** and accounted for 10.1% towards the GCP. The trade and industry sector is predominantly comprised of small and medium size enterprises was the third sector contributing **KShs 12.1 Billion** and **accounted for 10.1%** towards the 2023 GCP. This sector also contributes to the county's own source revenue through taxes, fees, and levies imposed on businesses. The sector has steadily recovered from the effects of COVID-19 and is expected to grow over the year. Political unrest fueled by street demos destabilized business operations between March and July 2023 and a political truce will entirely stabilize the business environment. Government efforts towards improving market and urban infrastructure will enhance SME development and eventually lead to job creation, income generation, poverty reduction and overall economic growth in the county.

County Fiscal Outlook

88. The Government is dedicated to improving resource mobilization as a crucial aspect of achieving the desired socio-economic transformation of the County. The County aims to decrease its reliance on transfers from the National Government, which have been declining over time. To accomplish this objective, the County will implement programs that support local economic growth, with the expectation that it will lead to increased revenue generation for the County's development. Furthermore, the Government will actively establish and strengthen partnerships and collaborations with donors and private investors to access additional resources for funding the County's development agenda.

CHAPTER FOUR: RESOURCE ALLOCATION FRAMEWORK

1.1. Adjustments to the FY 2022/23 Budget

89. The FY 2023/24 Budget will be guided by the development philosophy of “*Wauni wa Kwika Nesa na Ulungalu*” – the desire to do good with integrity and a rallying call for “**Our people, our Priority**”. The development theme for the FY 2023/24 will be ‘**Enhancing efficiency for economic growth and community resilience**’ which is guided by the following principles; infrastructure development for rural and urban areas to improve access to roads, water and sanitation; strengthening cooperatives as vehicle for rural transformation; improving access to universal health coverage; building strategic partnerships for enhanced resource mobilization; automation of government services; youth empowerment and innovation; strengthening public finance management and public sector transformation for performance oriented results and decentralized government services.
90. The FY 2023/24 revenues are projected to increase to Kshs. 10,568,289,780 from Kshs. 9,832,783,562 in FY 2022/23 representing a growth of 7 percent. The budget will be funded from three main sources namely; Equitable share – 80 percent, Conditional Allocations, loans and Grants – 9 percent and Own Source Revenue at 11 percent. The Government is committed to enhance its resource mobilization strategies by building strategic partnerships for development to ensure delivery of the envisaged development outcomes in the medium term.
91. The Recurrent expenditure for the FY 2023/24 is projected to be Kshs. **7,342,391,532** a decrease of 2 percent from Kshs. 7,485,986,556 in the printed budget estimates for FY 2022/23. The Development Expenditure is estimated to be Kshs. 3,225,898,248 representing 31percent of the total County Budget.
92. The budget will be reviewed to appropriate the cash balances carried forward from FY 2022/23, loans and grants balances, allocate funds for ongoing FY 2022/23 projects and any pending bills arising during the same financial year.

1.2. Medium Term Fiscal Projections

1.2.1. Revenue Projections

93. The printed FY 2023/24 revenues amount to Kshs. 10,568,289,780 which is 7 percent increase from Kshs. 9,832,783,562.00 in FY 2022/23. The government projects the revenues to grow from Kshs. 10,568,289,270 in FY 2023/24 to Kshs. 10,705,460,962 in FY 2024/25 representing a growth of 1.3 percent. The growth is attributed by an increase in conditional allocation and own source revenue as outlined in table 20.

Table 20: Fiscal Revenues for 2023/-2026/27 MTEF Period (Millions)

Revenues	FY 2022/23 Printed Budget Estimates	FY 2023/24 Printed Estimates	FY 2024/25 Projection	FY 2025/26 Projection	FY 2026/27 Projection
Equitable share from National Government	8,132,783,562	8,455,460,962	8,455,460,962	8,778,138,362	8,778,138,362
County generated revenue	850,000,000	1,200,000,000	1,300,000,000	1,408,333,333	1,525,694,444
Conditional allocations Loans and Grants -	850,000,000	912,828,818	950,000,000	950,000,000	950,000,000
PPP & Development Partners	-	-	-	200,000,000	400,000,000
Revenues	9,832,783,562	10,568,289,780	10,705,460,962	11,336,471,695	11,653,832,806

Source: Makeni County Treasury Projections, 2022

4.1.1. Own Source Revenue Mobilization

94. The County has continuously enhanced its revenue mobilization strategies which resulted to a growth of 18 percent in the total revenues mobilized in FY 2022/23. In FY 2023/24 the county projects to mobilize Kshs. 1,200,000,000 as own source revenue, an improvement of 35 percent from the targeted collection in FY 2022/23. The projections are expected to improve to 1.4 billion in the medium term.

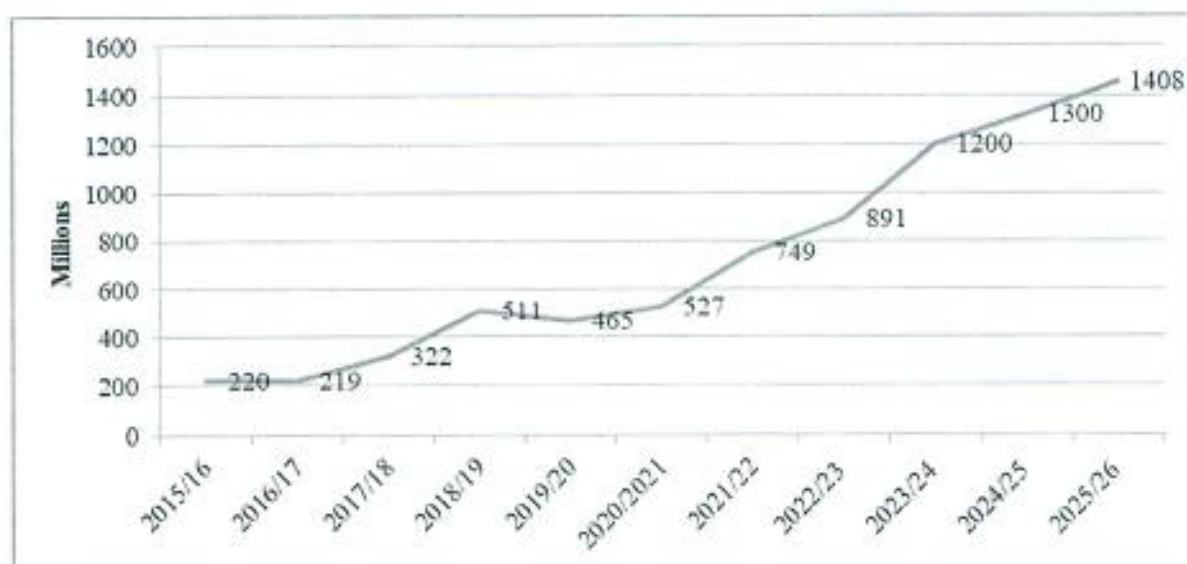


Figure 16: County Own Source Revenue FY 2013/14 - 2025/26

Source: County Treasury, 2022

Though the County has over the years recorded a gradual increase in own source revenue, the actual revenues collected fall short of potential principally due to challenges in collection and

administration. To address these key challenges, the County shall institute the measures set out below.

Table 21: OSR mobilization challenges and proposed interventions

No	Challenges	Intervention
1.	Inadequate automation and business data base	<ul style="list-style-type: none"> i. Leveraging on Technology to ensure automatic billing, e-licenses and Customers Self Service portal. ii. Leverage on mobile money technology to minimize risks associated with handling cash through Entrenching cashless modes of payment. iii. Integrate the revenue systems to enhance accountability and reporting iv. Undertake business establishment census to automate business register.
2.	Weak enforcement and Compliance	<ul style="list-style-type: none"> i. Establish Partnership with the court to handle cases of non-compliance and serial defaulters ii. Establishment of a dedicated enforcement and compliance unit with the necessary training to handle revenue matters.
3.	Inability to tap huge potential on Land based revenue due to lack of updated land data base	<ul style="list-style-type: none"> i. Enhance land-based revenue mobilization ii. Identify, register, update records and bill un-registered plot owners for payment of rates iii. Institute measures to recover outstanding arrears owed in respect of plot rent to all defaulters. iv. Regularize on-going developments that are not compliant, and enhance enforcement for compliance on all developments
4.	Limited public knowledge of the benefits of paying taxes and various fees and charges as provided for in the Makeni county Finance Act	<ul style="list-style-type: none"> i. Comprehensive Sensitization and awareness creation Programs ii. Sensitize the tax payers on the importance of voluntary compliance.
5.	Human resource capacity deficits	<ul style="list-style-type: none"> i. Institute Revenue mobilization management policy shift from geographical to functional revenue administration. ii. Institute result based revenue performance management iii. Training officers involved in revenue collection and administration on soft skills and revenue enhancement strategies
6.	Inadequate revenue policies and legislation	<ul style="list-style-type: none"> i. Carry out Legislative review of all laws related to Revenue collection, enforcement and compliance to address any legislative and policy gap ii. Analyze the National Policy to Support Enhancement of County Own-Source Revenue to identify key action areas for implementation.

4.1.2. External resource mobilization; strengthening partnerships and collaborations

95. The government will intensify resource mobilization strategies to secure additional funds, investments and Aid from partners to support the development agenda. The county government will;

- a. Strengthen strategic partnership relations to build strong ties with the national government, donor countries, international organizations and global institutions to mobilize resources.
- b. Capacity build the sector working groups to develop bankable proposals.
- c. Leverage on the South Eastern Kenya Economic Block (SEKEB) to attract regional funding and investment opportunities for the county.
- d. Continually engage with the National Government for additional funding through conditional allocations, loans and grants.
- e. Leverage on the private sector and the communities to fund the development agenda.
- f. Implement transparent and accountable governance practices to build trust with international partners and investors to boost confidence in the financial management and attract more funds.

4.1.3. Conditional allocations, Loans & Grants

96. The County Government will continually engage with development partners and the National government for additional funding through conditional allocations, loans and grants which has been fluctuating over the years. The funding for conditional allocations, loans and grants will be directed towards funding core county development objectives.

1.3. Expenditure Projections

4.1.4. FY 2023/24 – 2025/26 Projected Expenditure

97. The FY 2024/25 Budget will be the third budget to implement the CIDP 2023 – 2027. The Budget for FY 2024/25 is projected to increase from Kshs. **10,568,289,780** in FY 2023/24 to Kshs. **10,705,460,962** representing an overall increment of 1percent. The Recurrent expenditure is projected to be Kshs. **7,362,932,421** an increase of 0.3 percent from Kshs. **7,342,391,532** in FY 2023/24. The Development Expenditure is estimated to be Kshs. **3,342,528,541** representing 31percent of the total County Budget. The table below shows the projected budget expenditures for 2024/25-2026/27 MTEF period.

Table 22: Projected Expenditures for 2022/23-2025/26 MTEF period

Economic Classification	FY 2022/23 Printed Budget Estimates	FY 2023/24 Printed Budget Estimates	FY 2024/25 Projected Budget Estimates	Fy2025/26 Projected Budget Estimates	FY 2026/27 Projected Budget Estimates
Salaries	4,351,577,967	4,767,489,757	5,295,486,689	5,454,351,290	5,617,981,828
Operation & Maintenance	2,309,191,187	2,574,901,775	2,067,445,732	2,128,917,654	2,139,864,243
Recurrent	6,660,769,154	7,342,391,532	7,362,932,421	7,583,268,943	7,757,846,072
Development	3,172,014,408	3,225,898,248	3,342,528,541	3,753,202,752	4,280,534,873
Total Budget	9,832,783,562	10,568,289,780	10,705,460,962	11,336,471,695	12,038,380,946
Development Index	32%	31%	31%	33%	36%
Wage Bill	44%	45%	49%	48%	47%

Source: The County Treasury

4.1.5. Overall Deficit and Financing

98. The budget for FY 2024/25 will be a balanced budget. The county expenditure priorities will be aligned with the available resources to ensure non-accumulation of pending bills. However, in the medium term, the County will seek for funding through infrastructure bonds to finance its development priorities as outlined in the CIDP 2023-2027.

4.1.6. Transfers to Entities

99. The government is committed towards promoting autonomy of all county government entities. As such, the County will enhance the capacity of the entities to enhance their revenue mobilization strategies to reduce over reliance on exchequer releases from the National Government. The MTEF resources take into account the transfers to County Agencies and Authorities including water companies, Sand Authority, Makueni Fruit Processing Authority, Wote Municipality and Emali-Sultan Municipality.

1.4. FY 2023/24 Medium-Term Expenditure Framework Policy shift

100. The FY 2024/25 Medium Term Expenditure Framework will be guided by the development philosophy of *‘Wauni wa Kwika Nesa na Ulungalu’*- the desire to do good with integrity with a rallying call for **“our people, our priority”**. The development theme for FY 2024/25 is ‘Sustaining economic gains for inclusive development’ and will be guided by the following objectives;

- a. To increase access to potable water
- b. To improve agricultural production and food security
- c. To enhance access to universal healthcare
- d. To develop urban infrastructure
- e. To automate government services, procedures and innovation
- f. To mobilize resources through strategic partnerships

1.5. Sector Medium term interventions.

In the medium term, the Government will implement the following key strategies and interventions;

1.5.1. Water, Environment and Natural Resources Sector

101. The Government objective over the medium term will be geared towards enhancing access to safe and potable water for domestic and productive use. To achieve this agenda, the county will implement the following programmes and interventions

Table 23: Water, Environment and Natural Resources Sector Programmes and Interventions

Key Focus Area	Strategic Intervention	Priority Activities FY 2024/25
Enhanced affordable quality water for household consumption and productive use.	Integrated Water Harvesting, Storage, Treatment & Distribution	<ul style="list-style-type: none"> • Construction/ desilting/ expansion/ rehabilitation of one (1) medium sized dam. • Feasibility study and construction of a 500,000M3 dam at the confluence of Muooni and Kikuu River. • Construction/ desilting/ expansion/ rehabilitation of 20 small earth dams in the six Sub Counties • Construction of 10 sand dams/weirs with sumps • Drilling and/ or equipping of 20 boreholes • Construction of two (2) rock catchments • Implementation of phase 2 of Mulima Water project • Construction and/ or extension of 350 Kms. of pipeline

Key Focus Area	Strategic Intervention	Priority Activities FY 2024/25
		<ul style="list-style-type: none"> with water kiosk/ water points • Installation of one (1) treatment system in unimproved water source (CFU, Chlorine dosing units etc.) • Connecting urban centers and markets with reliable piped water by strengthening the governance capacity of the water companies
Promotion of governance of water resources	Urban and rural water governance programme	<ul style="list-style-type: none"> • Undertake compliance evaluation of three (3) County Water Service Providers as per the regulators' guidelines • Carry out compliance evaluation of community water schemes/ projects managed by Sustainability Management Committees meeting 60% of the set governance criteria as per the Water Act, 2020. • Capacity building 150 community water schemes/projects sustainability management committees on effective water management and sustainability. • Deepening community participation in management of both water and sanitation projects. • Review the existing legislations to enhance sanctions and penalties on those involved in mismanagement of water and sanitation institutions
Environmental conservation and protection	Sustainable natural resource utilization and environment protection	<ul style="list-style-type: none"> • Carrying out County Forests Baseline and Forest Cover mapping. • Supporting riverine restoration and conservation in Kaiti and Athi rivers • Rehabilitation of Kiu, Mangelete and Kiu wetlands through mapping, tree planting and protection • Promotion of agroforestry and restoration of farmlands. • Creating and enhancing the capabilities of 30 ward sand committees dedicated to promoting sustainable sand harvesting practices. • Surveying and designating 20 sand harvesting sites • Surveying and constructing 10 sand conservation structures (gabions & sand dams) • Sensitizing 30 community forums on environmental protection and environmental goods and services- utilization and benefit sharing. • Convene trade fair and conference on natural resources value addition.
	Environmental Compliance	<ul style="list-style-type: none"> • Investigate and manage environmental pollution incidents • Undertake Environmental Impact Assessment and Environmental Audits for development projects • Undertake routine environmental inspections • Undertake baseline survey reports on pollution prone areas. • Develop a County Environmental Action Plan

Key Focus Area	Strategic Intervention	Priority Activities FY 2024/25
Climate change resilience and response	Build Community Climate Resilience and Response	<ul style="list-style-type: none"> • Develop a County Noise Pollution Control Regulations • Implement the Climate Change Action Plan activities • Finalize climate change regulations and implementation guidelines • Capacity build all climate change structures • Sensitize community and farmers on climate smart technologies • Develop five (5) climate information systems
Enhance Forest Conservation and Management	Forest Conservation and Management	<ul style="list-style-type: none"> • Prepare County Forest and Landscape Restoration Plan • Map, survey and beacon Muvau, Kilema, Kyangoma and Salamala county forests • Establish nature-based solutions value chain for conservation and management of Nzueni county forest • Establishment of Community Forest Association • Plant trees at Kitundu A&B • Develop wildlife enterprises on ecotourism and conservation • Establish County Forest Management committee and Community Forest Associations for Nzueni, Kathekani and Kitundu A&B and Katende • Map and protect wildlife corridors

1.5.2. Agriculture and Rural Development Sector

102. The county government is committed towards increasing households' income and establishing a food-secure county. This will be achieved through promoting value chain development, irrigation development climate smart agriculture. Key interventions under the sector in the medium term include;

Table 24: Agriculture and Rural Development Strategic interventions

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
Agriculture extension and capacity development	Enhance agricultural extension services	<ul style="list-style-type: none"> • Recruit additional agricultural extension services officers; • Train 1,650 farmers on range and grassland management; • Train 43,550 farmers on climate smart agriculture technologies; and • Promote adoption of disruptive agricultural technologies and access to e-extension services by 87,100 farm families.
Increase production and productivity	Agricultural value chain development	<ul style="list-style-type: none"> • Promote viable value chains such as fruits, vegetables, grains, pulses, poultry, dairy, meat, fruits, honey and pasture development • Improve access to modern agricultural techniques, quality inputs and training • Streamline post-harvest handling, processing and packaging • Support farmers to access wider and lucrative markets

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
	Strengthen pest and disease control and post-harvest management	<ul style="list-style-type: none"> • Train and support adherence to quality standards and certifications • Capacity building of 87,100 farm families on integrated pest and disease management; • Establish a robust surveillance system to monitor the prevalence and spread of pests and diseases; • Establish new low pest zones while maintaining and expanding existing zones • Vaccinate approximately 200,000 of livestock; • Enhance compliance to sanitary and phyto-sanitary measures; • Promoting Certification of 15 farms as pest and disease free (crops and Livestock); • Implement One Health Concept approach towards disease management in the county; and • Provide farmers with timely and accurate information about pest and disease outbreaks, along with recommended control measures
	Irrigated agricultural production	<ul style="list-style-type: none"> • Establish/rehabilitate five (5) irrigation schemes in the county, covering 36 Ha; • Promote run-off water harvesting for crop and pasture production for farming households; • Facilitate knowledge sharing through farmer field days and demonstration farms where farmers practice irrigated agriculture.
	Soil and water conservation and range management	<ul style="list-style-type: none"> • Capacity build terrace markers to be able to lay 500 Kms of terraces in the county; • Train farmers on range and grassland management • Capacity build farmers on principles and practices of disruptive agriculture
	Affordable agricultural credit and farm inputs	<ul style="list-style-type: none"> • Implementing a county farm input subsidy targeting 75,000 farmers; • Creating linkages for 30,000 farmers with financial institutions for tailor made agricultural financial products; • Encouraging bulk procurement of inputs from manufacturers to benefit from economies of scale; and • Incentivizing the private sector to expand and provide subsidized inputs and mechanization services
	Compliance to sanitary and phyto-sanitary standards	<ul style="list-style-type: none"> • Partner with Micro-Enterprise Support Programme Trust (MESPT) in training staff and value chain actors in horticulture, dairy and aquaculture on food safety.
	Mechanized agriculture	<ul style="list-style-type: none"> • Profiling and building capacity of tractors and machinery owners to provide mechanized services such as plowing, ripping, baling, pond excavation among others; • Sensitizing and encouraging farmers to adopt the

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
		<p>mechanized agriculture to help cut cost of production; and</p> <ul style="list-style-type: none"> • Supporting the Agricultural Mechanization Unit to reach at least 10,500 farmers in their services and improve their own source revenue collection (OSR) to Kshs.15M.
	Diversification of agriculture and livestock enterprises	<ul style="list-style-type: none"> • Sensitization of farmers through public participation on the importance of diversification in agriculture; • Promotion of drought tolerant crops varieties and new livestock breeds by distributing certified seeds and fertilizer and supporting artificial insemination in animals.
	Coordination and collaboration with other institutions	<ul style="list-style-type: none"> • Continuous collaboration with Kenya Agricultural and Livestock Research Organization (KALRO), ICRISAT, Food and Agriculture Organization (FAO), United States Agency for International Development (USAID), World Food Programme (WFP), International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), Cereal Growers Association (CGA) and many others to address food security and food safety.
	Mentorship of youth in agricultural production	<ul style="list-style-type: none"> • Continuous building of capacities and empowering the youth to access resources to finance the agricultural activities
	Adoption of climate change adaptation and resilience initiatives	<ul style="list-style-type: none"> • Engaging 10,880 farmers in resilient agriculture & livestock enterprises; • Integrating agro-forestry in all agro-ecological zones targeting 2,000 farmers; • Establishing 40 agro-forestry nurseries; • Support farmers in development of 500 Kms of soil and water conservation structures; • Promoting adoption and development of 2,950 Ha under soil and water conservation structures; • Strengthening early warning systems through information packaging and sharing in collaboration with Kenya Meteorological Department and National Drought Management Authority (NDMA); and • Promoting integrated farming systems through bee-keeping and development of orchards
	Agro processing and value addition	<ul style="list-style-type: none"> • Promotion of dairy production, processing and marketing through strengthening the existing dairy cooperatives/initiatives; • Support genetic improvement (AI programme) by carrying out inseminations; • Promotion of poultry production, processing and marketing through breed improvement; • Promotion of pulse production, processing and marketing through aggregation and sale; • Promote production, processing, and marketing of cereals in the county;

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
		<ul style="list-style-type: none"> • Promote production, processing and marketing of fruits in the county; • Promotion of meat value chain (beef, pork and chevron) targeting 127,000 farmers through breeding, feeding management and marketing; • Promotion of honey production, processing and marketing by capacity building of 13,300 bee farmers and linking them to honey markets; • Promote development of industrial crop value chain in the county with special target of coffee and cotton production; • Promotion of horticulture production, storage and marketing; • Support production, processing and marketing of traditional high value crops
	Market access through establishment of a commodity database and agri-business information Centre	<ul style="list-style-type: none"> • Creating market linkages through existing lobby and advocacy groups such as Kenya Association of Manufacturers (KAM), Kenya Private Sector Alliance (KEPSA), Fresh Produce Exporters Association of Kenya (FPEAK); • Linking county marketing data to the Kenya Agricultural Market Information System (KAMIS); • Providing market information to traders and farmers through flash panels/ signage installed at strategic places; • Facilitating traders to attend one major internal trade exhibition and one outside the county; • Operationalizing e-commerce platform (Soko Makueni); • Facilitating quarterly private sector stakeholder forums and roundtable meetings on modern agricultural production and productivity in the county
	Agri-entrepreneurial skills	<ul style="list-style-type: none"> • Equipping and funding of Makueni Agricultural Training College to offer Agricultural Technical and Vocational Education Training (ATVET)
	Policy, legal and regulatory framework	<ul style="list-style-type: none"> • Continuous implementation and review of various sectoral policies and development of legislative frameworks
	Cooperative development	<ul style="list-style-type: none"> • Review of cooperative legislation to align with national government policy and legislation • Frequent supervision, advisory and inspection of cooperative management • Auditing of cooperatives to ensure compliance and competitiveness

1.5.3. Transport, Infrastructure, Public Works, Energy and ICT

103. The county government is committed to enhance service delivery by improving the county infrastructure focusing on roads, energy and ICT. This will increase the efficiency in delivery of government services, enhance productivity and profitability of various economic sectors and attract investors to the county. The county government will implement the following strategies in the medium term;

Table 25: Transport, Infrastructure, Public Works, Energy and ICT Strategic Interventions

Key area	Focus	Strategic Interventions	Priority Activities FY 2023/24
Road network development and Improvement		Rural road infrastructure	<ul style="list-style-type: none"> • Collaborate with national government agencies to upgrade 50 Kms of roads to bitumen standards • Open up of 50 Kms of new roads. • Gravel 200 Kms of road • Carry out feasibility study for construction of a bridge along Kitise - Athiani river • Grade and spot improve 1,500 Kms of county roads. • Excavate 20,000M2 of catch water drains under Roads for Water programme. • Construct 30 drifts across rivers and streams. • Install 1,500 culverts across the county. • Install drainage structures (600 gabions, 50 Scour checks and 100M2 key walls)
		Town and urban infrastructure	<ul style="list-style-type: none"> • Upgrade 5 Kms of road to cabro/bitumen paving in urban areas. • Gravel 25 Kms of major urban roads/streets roads • Install street and floodlights in major towns • Formulate, and submit for approval and enactment of Public Buildings Regulation policy • Carry out feasibility study on green parks and bus park construction in strategic urban areas • Construct lorry park in Sultan Hamud • Construct 13 Kms of storm water drainage structures in main towns
Energy development and promotion		Green energy development	<ul style="list-style-type: none"> • Connection of 700 households to electricity through rural electrification in collaboration with REREC, • Installation of six high mast floodlights in the 6 sub counties, • Establishing and operationalizing an energy center in one of CTTIs, • Installing 100 street lights across the county • Maintenance of 2,000 existing market streetlights, • Installing 2 charging stations for e-mobility at Wote and Emali –Sultan Municipalities • Solarizing 8. level 4 health facilities • Universal Health Care (UHC) grid connection programme

Key area	Focus	Strategic Interventions	Priority Activities FY 2023/24
			<p>to health facilities in collaboration with Kenya power</p> <ul style="list-style-type: none"> • Promote clean cooking solutions (Biogas, Improved Cook stoves, LPGs and E-cooking)
Housing development	Affordable housing technologies		<ul style="list-style-type: none"> • Set up and operationalize an Appropriate Building Technology (ABT) center in Wote • Collaboration with the National Government on affordable housing to; • Complete 210 stalled residential housing units • Construct new affordable houses • Complete Economic Stimulus Projects
	Public facilities and amenities development and improvement		<ul style="list-style-type: none"> • Renovate and maintain public facilities and amenities • Initiate processes for construction of a county office block. • Replace and dispose of asbestos roofing materials in public facilities • Establish and maintain of public buildings inventory • Establish a material testing laboratory
Public transport coordination and integration	Integrated Intelligent Transportation System (ITS)		<ul style="list-style-type: none"> • Developing Public Transport Planning policy • Carrying out feasibility study and construction of mechanical workshop • Implementing E-mobility pilot project in Wote • Licensing and regulating public transport operators. • Route planning and coordination
ICT Development	Automation, infrastructure development, innovation and ICT literacy		<ul style="list-style-type: none"> • Purchase of two network security licenses for county HQ and Community ICT centres • Deploy a surveillance system for County Treasury and upgrade existing surveillance at HQ • Carry out phase 2 of County Integrated Health Management Information System (CIHMIS) and Networking • Enhance access to digital learning programme to 44,000 ECDE pupils • Establish six NoFBI termination sites • Develop three public Wi-Fi hotspots in selected markets. • Establish Itumbule Resource Center as a service delivery center • Automate 50% of government services • Establish a data recovery site at a designated location. • Identify six e-waste management collection centers and dispose 50 ICT equipment • Establish three new CIC and village hubs • Train two ICT Programmes to county staff and community members trained in the Community Information Centres (CICs) (<i>Ajiry</i>, digital literacy, music recording and

Key area	Focus	Strategic Interventions	Priority Activities FY 2023/24
			professional training)

1.5.4. Health Services Sector

104. The county government is committed to providing equitable, affordable and quality healthcare to all citizens. To deliver this, the following interventions will be implemented in the medium term

Table 26: Health Services Strategic Interventions

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
Preventive and promotive	Essential primary health care services	<ul style="list-style-type: none"> • Leverage on technology in disease surveillance and response • Equip county counseling unit • Support Community Health Units across the county to promote health services. • Implement WASH and Community Led Total Sanitation (CLTS) activities in the community • Implement school health programme in all primary schools.
	Uptake of Reproductive, maternal, Newborn, Child and Adolescent Health (RMNCAH)	<ul style="list-style-type: none"> • Increasing the number of skilled birth attendance from 88 % to 92% through training birth attendants and equipping maternity wings • Improving the uptake of family planning from 62% to 65% by increasing awareness on uptake and provision on time information • Raising awareness and access on immunization and providing mobile clinics to rise coverage within the county from 95% to 98% • On Job Training (OJT) and mentorship on reproductive health to all healthcare givers
	Strengthen Community Health Strategy	<ul style="list-style-type: none"> • Establish 10 new Community Health Units (CHUs). • Equip Community Health Promoters with minimum package tool kits • Operationalize all CHUs and linking them with all healthcare providers • Allocate adequate resources for equipment and training for all community health providers.
Curative and rehabilitative services	Curative healthcare services	<ul style="list-style-type: none"> • Improving supply of health commodities and introducing mobile clinics • Equitable distribution of rehabilitative equipment and appliances • Conducting the orthopedic, physiotherapy and occupational therapy services

Key Focus Areas	Strategic interventions	Priority Activities FY 2023/24
	Research, innovation and adoption of technology	<ul style="list-style-type: none"> Establishing and equipping health research and innovation unit Automating and integrating all healthcare ICT modules to Health Management Information System (HMIS) for effective access to healthcare services
	Upgrade existing health facility infrastructure	<ul style="list-style-type: none"> Construct new maternity block at Sultan Hamud Sub County Hospital Construct new maternity block at Matiliku Hospital Construct and equip Matiliku Hospital X-ray Block Construct theatre block and land scaping/cabro paving at Kibwezi Sub County Hospital Construct male and female blocks and renovation of maternity block at Kilungu Sub County Hospital Renovate old block at Tawa Sub County Hospital Renovate old block at Kisau Sub County Hospital Construct wards at Makindu Hospital Upgrade six health facilities to model health centers Equip existing health facilities with modern infrastructure Rationalize staff deployment in line with workloads Erect a perimeter wall in Makueni County Referral Hospital
	Strengthen resource mobilization to accelerate Universal Healthcare Coverage	<ul style="list-style-type: none"> Map and establish stakeholder inventory for ease of coordination and incentivizing healthcare provision Ensure all remaining 103 county health facilities are NHIF compliant Remodel Makueni Care to ensure it is sustainable and accessible to all.

1.5.5. Education, Social Protection and Recreation Sector

105. The county government is committed to implement strategies and interventions in collaboration with non-state actors, national government departments and agencies and development partners to complement its effort towards social protection, education and training, sports development and youth empowerment. The following priorities will be implemented in the medium term;

Table 27: Education, Social Protection and Recreation Sector Strategic Interventions

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
Early Childhood Development Education and County Technical Training	ECDE Development	<ul style="list-style-type: none"> Upgrade Unoa primary ECDE Centre to model status. Construct, rehabilitate, and equip 20 ECDE centres across the county Undertake feasibility study to establish one-day care Centre Implement 100% quality assurance audit

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
Institutes Development		<ul style="list-style-type: none"> recommendations to improve compliance Recruit 20 ECDE teachers Introduce health and nutrition campaign in ECDEs centres
	CTTI Development	<ul style="list-style-type: none"> Remodel the CTTIs through trade specialization to enhance quality of service Develop Nduluku and Ngwata CTTI to centres of excellence. Develop CTTI infrastructure including provision of modern tools and equipment. Renovate CTTIs to mainstream PWDs in the institutions. Sensitize community on importance of skills training to increase trainee enrolment to 5,000. Increase capitation of 5,000 CTTI trainees Capacity build 60 CTTI instructors on their area of specialization. Recruit CTTI tutors to enhance instructor/trainee ratio Enhance adoption and implementation of quality assurance audit recommendations in CTTIs. Institutionalize CTTI skills competition through participation in trade fair and exhibitions to promote innovation. Support IGAs targeting Kshs. 3Million through CTTI participation in Trade Fairs/Exhibition.
Support to education	Support to Education	<ul style="list-style-type: none"> Develop and implement county education fund to facilitate access to tertiary education for the needy and vulnerable students. Undertake feasibility study for the establishment of a community library and resource Centre in Wote market. Undertake feasibility study to establish an e-Library Centre. Offer 3,000 bursaries and 720 Scholarships to Students across the county
Internship, Mentorship and Volunteerism	Internship, Mentorship and Volunteerism	<ul style="list-style-type: none"> Offer 350 mentorship opportunities to youths Engage 90 youths on internship Offer 500 attachment opportunities to youth in school.
Social Protection	County Social Protection	<ul style="list-style-type: none"> Initiate 60 IGAS for vulnerable groups Provide 250 vulnerable groups with access to the empowerment fund Carry out counselling and capacity building programmes for 50 MARPs. Undertake 6 advocacy forums on children protection

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
		<ul style="list-style-type: none"> • Support 60 PWDs with assorted assistive devices • Support 300 PWDs and 3,500 senior citizens with food aid and other non-food items • Promote NHIF and Makueni care medical cover to 350 PWDs and 3,500 senior citizens countywide. • Provide specialized training to 100 PWDs • Undertake feasibility study for establishment of a safe Centre for the senior citizens deprived of housing and care. • Operationalize Makueni Child Protection and Development Centre • Establish 6 Child Protection Committees and 30 child safe spaces/forums • Create awareness on children rights to 10,000 children across the county • Mentor 150 teen mothers in support groups • Support 3,000 boys and girls with dignity packs
	Protection and mitigation of Sexual and gender-based Violence (SGBV)	<ul style="list-style-type: none"> • Undertake feasibility study to establish GBV Recovery Centre in Kibwezi West sub-county Head quarters • Operationalize emergency safe-shelter for SGBV Victims • Hold 30 sensitization and advocacy forum, one per ward • Train 120 community anti-GBV champions • Collaborate with National police service to establish six gender violence desks in police stations • Initiate IGAs to support 18 GBV survivor groups • Provide psychosocial support to 300 children who are survivors of SGBV
Sports development	Sport development and management	<ul style="list-style-type: none"> • Completion of Ngakaa and Makutano talent centres. • Support to <i>Ligi Mashinani</i> to nurture and develop talents in the county • Establish the County Sports Fund
Youth empowerment	Enhance Youth empowerment	<ul style="list-style-type: none"> • Empowering youth to participate in governance and leadership through capacity building and mentorship. • Increasing the intake of youth to undertake training and support startup tools and equipment to 150 (<i>Ujuzi teke teke</i>). • Strengthening youth led movements and networks as well as enhancing access to information and opportunities. • Developing youth enterprises to create employment opportunities & linkages

1.5.6. General Economic and Commercial Affairs (GECA)

106. The county government is committed to promoting enterprise growth to create sustainable profitability to traders. This will be implemented through the following interventions in the medium term;

Table 28: General Economic and Commercial Affairs Strategic Interventions

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
Industrial development and promotion	Industrial development	<ul style="list-style-type: none"> • Feasibility study for establishment of Jua kali park with a Common Manufacturing facility in Wote • Development of a County Investments profile. • Development of Strategic Industrial parks targeting key value chains and geographical regions. • Establishment of Industrial Park at Kwa Kathoka. • Establishment of a Special Economic Zone Area. • Promote value addition and innovations in agro-processing.
Trade development	Re-engineering Trade development	<ul style="list-style-type: none"> • Capacity building MSMES to acquire basic business management skills • Linkage of traders to affordable credit services in collaboration with development partners • Linkage of MSMEs to export markets for county produce and products. • Supporting traders to participate in trade and investment export by developing investor profiles • Promoting uptake of appropriate modern technology in business development. • Establishing a quality assurance laboratory at kwa Kathoka • Inspecting business premises and conduct verification of weight and measures equipment • Development of at least one modern market. • Installation of lighting in 15 market sheds • Rehabilitating of existing market sheds • Undertake routine solid waste management/market cleaning in at least 170 markets and improvement of sanitation facilities in urban areas • Improved marketing and market linkage through development of ICT support infrastructure to local MSMEs.
Culture and Tourism	Promoting Culture and Tourism	<ul style="list-style-type: none"> • Publishing Makueni County tourism magazine 2024 • Promotion of tourism with focus existing tourism circuits. • Establishing conservancies and sanctuaries around Tsavo conservation area in collaboration with KWS. • Documenting indigenous Akamba knowledge in collaboration with Kenya National Museums.

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
		<ul style="list-style-type: none"> • Hold one cultural exhibition themed around indigenous food and cultural. • Development of tourism development infrastructure such as museums and rating of hotel facilities. • Training and capacity building of players along the tourism value chain to enhance improved service delivery. • Launching and promotion of the Akamba Traditional Dress. • Development of Tourism policies.

1.5.7. Lands and Urban Development Sector

107. The county government is committed to promote security of land tenure and urban planning and development. This will be achieved in the medium term through the following interventions;

Table 29: Lands and Urban Development Strategic Interventions

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
Land Survey, Mapping and Titling	Security of land tenure	<ul style="list-style-type: none"> • Resolving land disputes across the county • Titling of Ngai Ndethya schemes • Finalizing Kiboko B & C, Mangelete and Utithi schemes field queries for human settlements • Facilitating purchase of strategic land parcels for county development • Surveying and demarcating the public lands in Malili, Makindu, Emali and Wote towns
Land digitization and management	Land administration and management	<ul style="list-style-type: none"> • Validate and verify public plots in Kikima, Mbumbuni, Malili, Makindu and Mtito Andei Markets and registration to LIMS • Complete GIS mapping of all county projects and natural resources • Integrate LIMS and Electronic Development Applications Management System (EDAMS) to support revenue generation and turnaround time for development applications approval. • Complete Wote Town Central Business District (CBD) Public Land Perimeter Survey • Upload all public land plot data's and finalize verification of plots through support by the National Lands Commission
Physical Planning and Development	Urban Planning and Infrastructure development	<ul style="list-style-type: none"> • Registration of all towns into LIMS to increase land-based revenue generation • Plot validation and verification of public plots by surveying 6 urban areas • Enhancement of development control and compliance in urban areas with approved Physical Land Use Plans

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
		<ul style="list-style-type: none"> • Collaborating with development partners and National Government to support infrastructure development in Wote and Emali-Sultan Hamud Municipalities. • Establishment of urban governance in all 25 markets with approved plans
Municipalities and Town Establishment	Improve urban areas' livability	<ul style="list-style-type: none"> • Tarmac 10KMs of urban road within Emali and Wote Municipalities • Cabro pave 2KM of Emali, Wote and Sultan towns • Develop 5KMs of non-motorable workways within Wote and Emali Towns • Establish car parking zones within Wote Township • Install 12 high mast floodlights within the municipalities • Develop and protect Wote solid waste dumpsite • Develop a recreational Park within Emali-Sultan municipality • Carry out storm water management within the municipalities

1.5.8. Devolution Sector

108. The Devolution sector plays a facilitative role in service delivery in the county with a key mandate including finance, management of the county public service and coordination of the county function sin various capacities. The county government will implement the following interventions during the medium term.

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
Resource mobilization	Enhance resource Mobilization	<ul style="list-style-type: none"> • Optimal collection of Own Source Revenue by broadening the revenue streams and exploiting untapped on revenue potential • Enhancing externally mobilized resources and the capital investments funded by development partners. • Strengthening Public Private Partnerships (PPP) coordination. • Building strategic partnerships with development partners • Capacity building county sectors to develop proposals for funding by development partners.
Efficient and effective service delivery	Public service management reforms	<ul style="list-style-type: none"> • Implementation of Quality Management Systems. • Institutionalization and strengthening of Performance Management System • Construction of an executive office block for County Public Service Board. • Review and implement Human Resource Plans. • Enhance institutional and human resource capacity for quality delivery of services through tailor made

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
County leadership, governance and coordination	Governance, coordination and management of devolved functions	<p>trainings and capacity building</p> <ul style="list-style-type: none"> • Enhance working environment for decentralized sub-county/ward units. • Construct a county enforcement inspectorate office block. • Establish Village Councils and operationalize the public participation structures. • Promote constitutionalism, values and principles of public service through capacity building and creating awareness. • Intensify government visibility and communication framework • Strengthen intra and inter-governmental relations through participating in various intra and inter government relation activities. • Support community participation of special interest groups. • Undertake civic education through public participation forums. • Develop Curriculum and equip the County School for Devolution and Community led development (CSDCLD) • Streamline liquor licensing and controls through inspections. • Develop and implement on Grievances Redress and feedback Mechanisms. • Strengthen governance structures in municipalities
Public Finance Management	Enhance public financial management	<ul style="list-style-type: none"> • Implementing Programme Based Planning and Budgeting • Enhancing documentation, management and reporting of the County Assets • Undertaking annual expenditure review. • Developing the budget expenditure control framework and resource allocation framework. • Strengthening internal controls and systems. • Implementing Public Investments Management principles.
Accountability, Transparency and Responsiveness	Government Accountability, Transparency and Responsiveness	<ul style="list-style-type: none"> • Strengthening open contracting and e-procurement. • Operationalizing the Enterprise Risk Management Policy. • Institutionalizing the open governance. • Enhancing legislation, representation and oversight activities. • Strengthening social accountability mechanisms.
Result based	Enhance result-based	<ul style="list-style-type: none"> • Reengineer monitoring, evaluation, reporting and

Key Focus Area	Strategic Interventions	Priority Activities FY 2023/24
management	management	<p>learning in the county.</p> <ul style="list-style-type: none"> • Implement the county knowledge management policy • Strengthen the county statistical systems. • Implement CIMES guidelines and operationalize county monitoring and evaluation policy and guidelines
Disaster Risk management, mitigation and preparedness	Strengthen Disaster Risk Management, Mitigation and Preparedness	<ul style="list-style-type: none"> • Community awareness on disaster preparedness, mitigation and response through capacity building and campaigns. • Develop and implement partnerships in disaster awareness and emergency response. • Integrate disaster risk reduction principles in all county plans, programs and projects. • Equip Makindu Fire station. • Develop DRM information database and carry out hazard and risk mapping in the county.
Legislation and Oversight	Improve legislation and oversight for accountability and good governance	<ul style="list-style-type: none"> • Constructing and equipping 2 county offices and six ward offices • Undertaking 7 public participation and civic education activities • Holding 2 Bunge Mashinani activities • Approving 5 implementable bills, policies and regulations

1.6. Sector Indicative Ceilings

109. In the FY 2024/25 the county resource allocation will be guided by the priorities outlined in this County Budget Review and Outlook Paper which are aligned to the County Annual Development Plan 2024/25. Resource allocations will be guided by how;

- i. Programs are outcome oriented and are aligned towards achieving the County development agenda, aspirations and objectives;
- ii. Programs will promote economic growth for sustainable livelihoods;
- iii. Programs support integration of all stakeholders' proposals;

Table 30: Indicative Ceilings for MTEF period FY 2022/23 – FY 2026/27

Department/Entity	Class	FY 23/24 Printed Budget Estimates	FY 24/25 Projected Budget	FY 25/26 Projected Budget Estimates	FY 26/27 Projected Budget Estimates
County Attorney Office	Salary	14,072,319	14,926,157	15,373,942	15,835,160
	O&M	19,951,188	14,158,364	14,578,868	14,653,220
	Dev Gross	-	-	-	-
	Total	34,023,507	29,084,521	29,952,810	30,488,380
County Public Service Board	Salary	34,928,333	37,047,609	38,159,038	39,303,809
	O&M	40,585,314	28,801,376	29,656,777	29,808,026
	Dev Gross	-	-	-	-
	Total	75,513,647	65,848,985	67,815,814	69,111,835
Department of Lands, Urban	Salary	53,120,831	56,343,938	58,034,256	59,775,284

Department/Entity	Class	FY 23/24 Printed Budget Estimates	FY 24/25 Projected Budget	FY 25/26 Projected Budget Estimates	FY 26/27 Projected Budget Estimates
Planning and Development, Environment and Climate change	O&M	28,365,769	20,129,773	20,727,627	20,833,338
	Dev Gross	130,299,857	135,010,765	151,603,588	172,903,892
	Total	211,786,457	211,484,476	230,365,471	253,512,514
Wote Municipality	Salary	-	-	-	-
	O&M	34,277,870	24,325,296	25,047,758	25,175,501
	Dev Gross	15,000,000	15,542,315	17,452,466	19,904,537
	Total	49,277,870	39,867,612	42,500,224	45,080,039
Emali Municipality	Salary	-	-	-	-
	O&M	16,585,314	11,769,771	12,119,334	12,181,142
	Dev Gross	43,000,000	44,554,638	50,030,403	57,059,674
	Total	59,585,314	56,324,409	62,149,736	69,240,816
Governorship	Salary	71,883,429	76,244,956	78,532,305	80,888,274
	O&M	141,682,515	100,545,023	103,531,210	104,059,219
	Dev Gross	-	-	-	-
	Total	213,565,945	176,789,979	182,063,515	184,947,493
Department of Trade, Marketing, Industry, Culture and Tourism	Salary	41,212,158	43,712,705	45,024,086	46,374,809
	O&M	80,478,075	57,111,280	58,807,485	59,107,403
	Dev Gross	200,000,000	207,230,872	232,699,547	265,393,833
	Total	321,690,232	308,054,858	336,531,118	370,876,045
Department of Gender, Children, Youth, Sports and Social Services	Salary	37,006,189	39,251,539	40,429,086	41,641,958
	O&M	30,377,972	21,557,733	22,197,998	22,311,207
	Dev Gross	140,247,204	145,317,752	163,177,304	186,103,715
	Total	207,631,365	206,127,025	225,804,387	250,056,881
County Secretary	Salary	234,952,080	425,451,800	438,215,354	451,361,815
	O&M	356,194,929	252,773,796	260,349,961	261,766,855
	Dev Gross	-	-	-	-
	Total	591,147,009	678,225,596	698,565,315	713,128,670
Department of Finance & Socio-economic Planning	Salary	225,244,138	238,910,826	246,078,151	253,460,495
	O&M	315,354,897	223,791,659	230,438,272	231,613,507
	Dev Gross	20,000,000	20,723,087	23,147,408	26,406,754
	Total	560,599,035	483,425,573	499,663,830	511,480,756
Department of ICT, Education and Internship	Salary	400,746,420	846,510,409	871,905,721	898,062,893
	O&M	171,170,629	121,471,268	125,078,964	125,716,867
	Dev Gross	241,600,000	250,334,894	281,101,052	320,595,750
	Total	813,517,049	1,218,316,571	1,278,085,738	1,344,375,510
Department of Roads, Transport, Works & Energy	Salary	76,585,872	81,232,719	83,669,701	86,179,792
	O&M	85,942,943	60,989,425	62,800,811	63,121,095
	Dev Gross	495,850,000	513,777,140	576,920,351	657,977,660
	Total	658,378,815	655,999,285	723,390,863	807,278,547
Department of Agriculture, Livestock, Fisheries and Cooperative Development and Irrigation	Salary	262,695,289	278,634,325	286,993,355	295,603,156
	O&M	47,877,000	33,975,922	34,985,007	35,163,430
	Dev Gross	936,890,356	970,763,029	1,090,069,805	1,243,224,613
	Total	1,247,462,645	1,283,373,276	1,412,048,167	1,573,991,199
Department of Water, & sanitation	Salary	70,674,325	74,962,489	77,211,364	79,527,705
	O&M	31,512,000	22,362,496	23,026,663	23,144,099
	Dev Gross	490,800,000	508,544,561	571,044,687	651,276,466
	Total	592,986,325	605,869,547	671,282,714	753,948,270
Sand Authority	Salary	21,264,094	22,554,292	23,230,921	23,927,849
	O&M	42,377,972	30,073,535	30,966,719	31,124,649

Department/Entity	Class	FY 23/24 Printed Budget Estimates	FY 24/25 Projected Budget	FY 25/26 Projected Budget Estimates	FY 26/27 Projected Budget Estimates
	Dev Gross	15,000,000	15,542,315	17,452,466	19,904,537
	Total	78,642,065	68,170,143	71,650,106	74,957,036
Department of Health Services	Salary	2,326,881,228	2,468,064,746	2,542,106,689	2,618,369,889
	O&M	835,450,000	592,877,243	610,485,697	613,599,174
	Dev Gross	429,372,904	444,896,607	499,574,400	569,764,604
	Total	3,591,704,132	3,505,838,597	3,652,166,786	3,801,733,667
Department of Devolution, Public Service, Public Participation and Special Programmes	Salary	212,699,685	225,605,239	232,373,396	239,344,598
	O&M	98,187,797	69,678,988	71,748,454	72,114,371
	Dev Gross	21,837,927	22,627,463	25,408,378	28,978,255
	Total	332,725,409	317,911,690	329,530,228	340,437,224
County Assembly	Salary	345,094,338	366,032,936	377,013,925	388,324,342
	O&M	536,958,622	381,052,783	392,370,051	394,371,138
	Dev Gross	46,000,000	47,663,101	53,520,896	61,040,582
	Total	928,052,960	794,748,820	822,904,871	843,736,062
Overall Budget	Salary	4,429,060,726	5,295,486,689	5,454,351,290	5,617,981,828
	O&M	2,913,330,806	2,067,445,732	2,128,917,654	2,139,864,243
	Dev Gross	3,225,898,248	3,342,528,541	3,753,202,752	4,280,534,874
	Total	10,568,289,780	10,705,460,962	11,336,471,695	12,038,380,946

CHAPTER FIVE: MEDIUM TERM REVENUE STRATEGY

110. The Kenya Constitution 2010 gives power to county governments to impose taxes, charges necessary for funding development programmes and activities. Further section 132 of the Public Finance Management Act 2012 provides for the enactment of a Finance Act to guide the imposition of taxes, charges and spell out strategies to improve own source revenue. Article.216(3b) of the constitution empowers Commission on Revenue Allocation (CRA) to define and enhance revenue sources for national and county governments while the County Treasury has a responsibility of undertaking measures to ensure adequate funding of county development projects which includes ensuring continuous OSR enhancement to meet the increasing demand for public services.

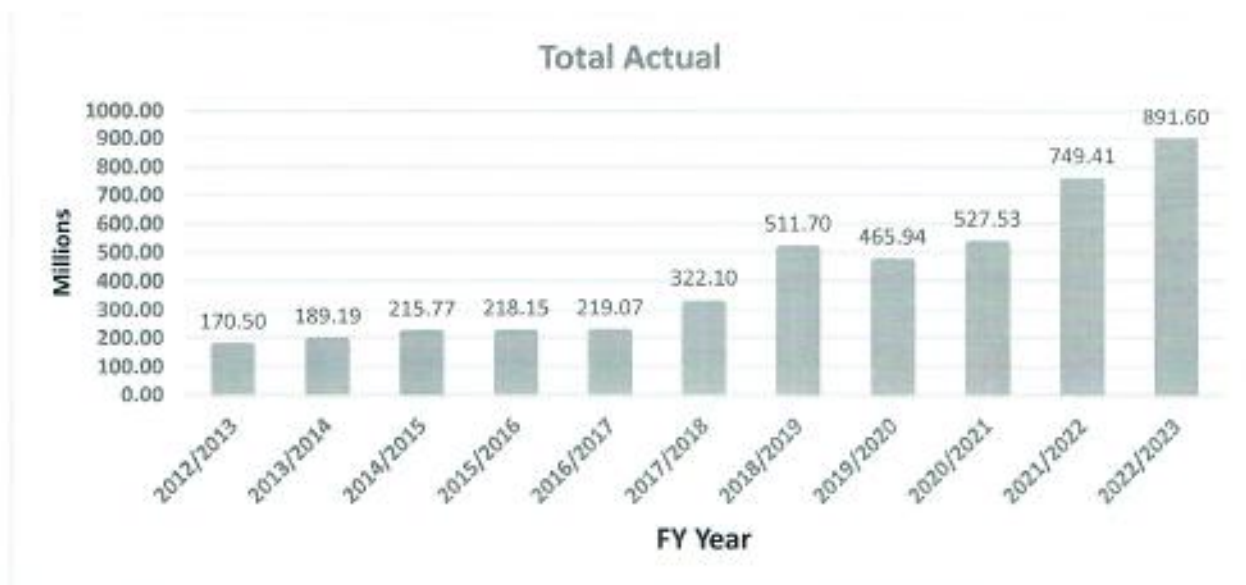


Figure 17: Own Source Revenue performance for FY2013/14 – FY 2022/23

Source: County Treasury

111. Makueni County Own Source Revenue (OSR) performance registered a growth of 19% from Kshs. 749,406,507.38 recorded in FY 2021/22, to Kshs. 891,595,986.24 in financial year 2022/23. The increase was attributed to one government approach to enhance Own Source Revenue collection, Enhanced absorption of universal health coverage under national scheme, upgrade of health centers to offer services that qualify for cover, entrenching cashless mode of payment through sensitization of customers, enhancing reporting of all revenues collected by County government entities.

112. Although the Department has registered positive revenue trend and has employed a number of good practices, County own source revenue accounts for approximately nine per cent of the total county budget. This leads to overreliance on the equitable share from the National Government and funds from development partners. The county over the years has been unable to achieve set targets mainly due to untapped potential of land based revenue, Inadequate automation and business data base, Weak enforcement and Compliance, Limited public knowledge of the benefits of paying taxes and various fees and charges as provided for in the Makueni County Finance Act and staff shortage.

Own source revenue mobilization, Projections and strategies

113. To achieve the county's development agenda there is need to increase the amount of resources available to implement the envisaged development programmes/projects. Increasing the resources calls for the harnessing of the enormous potential that exists in own-source revenue collection. It also entails ensuring compliance, efficiency, transparency and accountability in revenue collection and administration.

114. To achieve socio-economic transformation as anchored on Vision 2025, the department will institute the following strategies geared towards expansion of own source revenue base and financial discipline.

i. Leverage on Technology to allow Data and Evidence based Revenue Mobilization.

The Department will leverage on technology to *optimize revenue operations, create efficiencies and maximize revenue mobilization. This will* entrench cashless modes of payment gateways available to the customers, Customers Self Service portal, Establishment of automatic billing, Unified billing and updated business date register.

ii. Enhance Land based revenue mobilization.

The county will Institute measures to recover outstanding arrears owed in respect of plot rent to all defaulters. Identify, register and update records of all un-registered plot owners in order to expand land revenue base through payment of land rates. The department will carry out an audit of all on going developments to regularize any unpaid developments that are not compliant.

iii. Comprehensive sensitization and awareness creation programs

The Department in partnership with Civic Education will hold joint forums to sensitize the tax payers on the importance of voluntary compliance. The information to be disseminated will consist of cashless gateways, Customer Self Service portal, County complains handling mechanism and projects implementation status. Such information will also be disseminated through social media, FM Radio stations and public barazas

iv. Establish and collaborate with third party to share tax payers' information

Develop and implement a framework that will ensure third party collaboration for purposes of large-scale automated crosschecking of information to verify the authenticity reported by taxpayers with third parties.

v. Strengthen County enforcement and compliance.

The office of County Attorney to initiate the process of establishing county court through engagement of key stakeholders such as judiciary to handle cases of non-compliance and serial defaulters. Train the county enforcement officers on revenue enforcement mechanism

vi. Strengthen one Government approach.

The county government will ensure continuous engagements of whole government approach on matters of resource mobilization across key department responsible for revenue

mobilization including Finance, Health services, Trade and tourism, Agriculture and Livestock, Devolution, Lands and urban planning.

vii. Revenue mobilization management policy shift and enhancement of human capacity

The County Treasury will implement approved policy shift that restructured revenue administration by creating dedicated divisions to handle various aspects of revenue administration in order to optimize on the existing human resource capacities and Institute result based performance management.

viii. Enhance absorption of universal health coverage under national scheme

The county Government through health department will sensitize and enroll the public to the universal health scheme for quality services.

CHAPTER SIX: CONCLUSION

115. Makueni CBROP 2023 is being prepared against the continued backdrop of a slowdown in the growth of the global economy. The pandemic and the war between Russia and Ukraine have led to contraction of the global economy disrupting businesses including international trade and leading to loss of livelihoods for millions of people globally, Kenya has not been spared. The pandemic and the containment measures have not only disrupted our ways of lives and livelihoods but to a greater extent also businesses.
116. To cushion citizens and businesses from the adverse effects of Covid-19 pandemic and stimulate economic recovery, the County Government will enhance collaborations with National Government to implement measures in the context of the Economic Stimulus Programme and the Post Covid-19 Economic Recovery Strategy.
117. In FY 2024/25, the Government will continue to support agriculture as the main driver of the economy to increase households' income and establish a food-secure county by promoting value chain development, irrigation development and climate smart agriculture.
118. From the analysis of this paper, it is evident that the County Government complied with the principles of fiscal responsibility. The county will strengthen its revenue collection and management systems with the goal of generating more revenues towards budgetary self-reliance. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds by the various departments will be crucial in ensuring the county delivers her functions. Proper linkage between plans and budgets will be e to achieve the objectives of the government.