

COUNTY GOVERNMENT OF TURKANA

**OFFICE OF THE COUNTY EXECUTIVE
FINANCE AND ECONOMIC
PLANNING**

BUDGET IMPLEMENTATION REPORT

QUARTER ONE

FY 2019/2020

© Quarter One Budget Implementation Report FY 2019/20

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COUNTY VISION AND MISSION

County Vision

We the people of Turkana County aspire to be socially empowered citizens living in a peaceful, socially equitable and culturally sensitive environment.

County Mission

To facilitate social, environmental, economic and equitable transformation of the Turkana People.

FOREWORD

We have the pleasure to present to you the first quarter Budget Implementation Report for FY 2019/2020. Information sharing is one of the mandate of the County Treasury and in line with this, the preparation of Quarterly Budget Implementation Reports and dissemination to all the relevant stakeholders within and beyond Turkana County is prerequisite to the realization of this mandate.

Quarterly Budget Implementation Reports assess the performance of each county entity/department in terms of the allocated revenues against the actual expenditures incurred and the own source revenue collected.

Being the first quarter in the financial year, not much of the revenue from the national government was received since there was a delay in the enactment/passing of the County Allocation of Revenue Bill 2019 which entirely affected the revenues allocated to the respective counties. This affected the timely execution of the budget although the own source revenue performed pretty well.

This report is an output of the collaboration and the synergy of the various county entities which provided data generated from the county entities financial reports and the Integrated Financial Information Systems (IFMIS). This report mirrors a deep analysis of the revenues collected both locally (own source) and the exchequer releases together with their corresponding utilization by the various county departments.

HON. EMATHE NAMUAR
Ag. COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE AND ECONOMIC PLANNING

ACKNOWLEDGEMENT

Section 166 of the Public Finance Management Act 2012 necessitates the County Treasury to share quarterly reports on budget implementation. The report analyses budget performance against target expenditure, extent of revenue collection in each streams and in ward level against the set target and expenditure against annual budget which gives overall burn rate. This expenditure is divided into recurrent and development expenditure. This report is thus planned to share information on the implementation of the County Budget during the first quarter.

We wish to acknowledge all the County departments and the Turkana County Assembly for furnishing us with adequate data in time for the analysis which richly resulted in production of this report. Exceptional thanks go to the Directorate of Budget cadre led by Director Nicholas Maiyo for their intellectual support; spending long hours to make sure the document is ready in time.

I further remind the Accounting Officers of all the county entities to adhere to the reporting standards, guidelines and templates as stipulated in the PFM Act, 2012. This will provide ease in the provision of data/information and in the monitoring of the budget implementation.



ABDULLAHI YUSSUF
COUNTY CHIEF OFFICER
ECONOMIC PLANNING

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ABBREVIATIONS AND ACRONYMS

BIR	Budget Implementation Report
BS	Budget Statement
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
CRF	County Revenue Fund
FY	Fiscal Year /Financial Year
GDP	Gross Domestic Product
MTEF	Medium Term Expenditure Framework
OSR	Own Source Revenue
PFM	Public Financial Management
SWGs	Sector Working Groups

GLOSSARY OF TERMS

Gross Domestic Product - This is the aggregate measure of production equal to the sum of the gross value-added of all resident institutional units engaged in all production plus any taxes, minus any subsidies on products not included in the value of their output.

Real GDP- This is a macroeconomic measure of the value of economic output adjusted for price changes i.e. inflation or deflation.

County Integrated Development Plan- This is a super plan for an area that gives an overall framework for development. It aims to coordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. The plan should look at economic and social development for the area as a whole.

Medium Term Expenditure Framework-It is an integrated approach to policy, planning and budgeting by developing countries that estimate expenditures of three years from the present.

County Fiscal Strategy Paper- This is an overview of how a county plans to raise and spend money for the next year while considering a 2-3 year perspective.

Appropriation in Aid- These are receipts which may be retained by a department to offset expenditure instead of being paid into the exchequer account of the central fund

Budget Statement- It sets out the Administrations priority programs to be implemented in the Medium Term Development under a devolved system of government

Sector Working Groups- These are forums to discuss and build consensus about development priorities and improve sectoral aid coordination and effectiveness.

1.0 INTRODUCTION

We are privileged to present the first quarter Budget Implementation Reports for Turkana County analysing the period of July 2019 to September 2019 for the FY 2019/2020. Information sharing is one of the mandates of the County Treasury, therefore, Quarterly Budget Implementation Report is a tool used to disseminate information on Budget Implementation to a number of stakeholders within and outside the county.

It analyses the county fiscal performance over the quarter in relation to its revenue and expenditure undertaken by the county entities. A comparison of revenue performance both from the conditional grants, equitable share and own source revenue against quarterly targets and expenditure performance against budget estimates is presented.

As a learning and information tool, the report also highlights the bottlenecks experienced during the budget implementation within the quarter and further presents the recommendations.

In the FY 2019/2020, Turkana County Government allocation from the National Government was KES 10,323,000,000 as Equitable Share and KES 1,296,080,006 as Conditional Grants. During this period the county own source revenue was projected at KES 250,000,000 anticipated to be collected locally. The balance brought forward from the previous financial year 2018/2019 as unutilized funds totalled to KES 2,398,667,806.50. The entire revenue basket available for utilization for the financial year is KES 14,267,747,812.50. From the revenue basket, a total of KES 8,624,558,915.04 representing a percentage of 60.5% of the total budget was allocated to recurrent expenditure while KES 5,643,188,897.46 for development expenditure representing 39.6%.

During the quarter, a total of KES 1,889,844,008.00 was available revenue for spending. This comprised of KES 53,997,248.00 as Own Source Revenue, KES 1,982,460.00 Conditional Grants and KES 1,833,864,300 as Equitable Share. However, during the quarter amounts released from the County Revenue Fund (CRF) account for recurrent expenditure amounted to KES 1,209,269,113.00 and KES 1,982,460.00 for Conditional Grants.

There was notable increase in own source revenue generated in the first quarter of FY 2019/2020 (July – September 2019) to KES 53,997,248 from KES 36,361,611 in quarter one FY 2018/2019 (July – September 2018). This represents an increase of 48.5%.

In the period under review, the department of Lands, Energy, Housing and Urban Areas Management contributed the highest amount to the revenue basket to a tune of KES 17,038,411 (31% of the total OSR) followed by the department of Infrastructure, Transport and Public Works raising KES 14,931,400 (28% of the total OSR). The department of Agriculture, Pastoral Economy and Fisheries contributed the least to the revenue basket with an amount of KES 1,164,510 (2% of the total OSR).

Turkana Central Sub County attained the highest revenue collection against a target of KES 35,780,627.50 representing a performance of 95% while Turkana East Sub County collected the least revenue amounting to KES 85,460 translating to 22% of the target.

County headquarters contributed significantly towards the quarter's revenue at KES 18,887,662 followed by Lobokat Ward at KES 10,467,300. In comparison to the quarterly target, Katilia Ward performed best by surpassing its target with a performance of 305% of the target followed by Kaeris performing at 201% of the target. Kapedo/Napeitom and Lokori/Kochodin wards were the least performing in the quarter under review raising 8% and 10% of their targets respectively. In monetary terms, Kapedo/Napeitom ward contributed the least revenue of KES 2,090 and Letea Ward raised KES 6,000.

Cess continues to be the best revenue earner in the county. In the quarter under review, cess and royalties are the best performing streams of revenue raising KES 14,059,000 and KES 12,087,020 respectively. The least performing streams are Parking Fees which raised KES 171,250 and House Rent/Kiosks that raised KES 217,100

The quarter one performance of revenue streams compared to the same period in FY 2018/2019 indicates a tremendous improvement. Revenue generated from Single Business Permits increased by 187% (KES 4,931,950) and from Weights and Measures increased by 96% (KES 99,900). There was a drop in revenue generated from Transportation Operation Fee by -66% (KES 1,750,600) and from Public Health and Cost Sharing by -44% (KES 2,854,452.06).

The recurrent expenditure incurred during the quarter for the County Executive and County Assembly were KES 854,333,283.92 and KES 354,935,828.70 respectively. During the quarter there was no development expenditure incurred. The department of Public Service, Administration and Disaster Management reported the highest recurrent expenditure of KES

846,477,343.88 (71%) mainly because of personnel emoluments while Finance and Economic Planning recorded an expenditure of KES 7,855,940.04 which 4% against the quarterly target expenditure.

The County Assembly of Turkana recurrent expenditure surpassed its quarterly target with an expenditure of 125% or KES 354,935,828.74. Only three departments were able to record expenditure in the quarter with the rest incurring none.

2.0 REVENUE PERFORMANCE

2.1 County Revenue Basket for the Quarter (July-September 2019)

During the quarter under review, the county received a total of KES 1,833,864,300 from Exchequer releases as indicated in table 1 below.

Table 1: Quarter 1 County Revenue Fund

Date Received.	Amount Received
19-Sep-19	526,972,500.00
25-Sep-19	1,306,891,800.00
Total CRF Receipts	1,833,864,300.00

2.1.0 Own Source Revenue.

As illustrated in Table 2 below, Own Source Revenue collected during the quarter under review amounted to KES 53,997,248.00 despite being the first quarter of the financial year.

Table 2: Own Source Revenue Collection for FY 2019/20

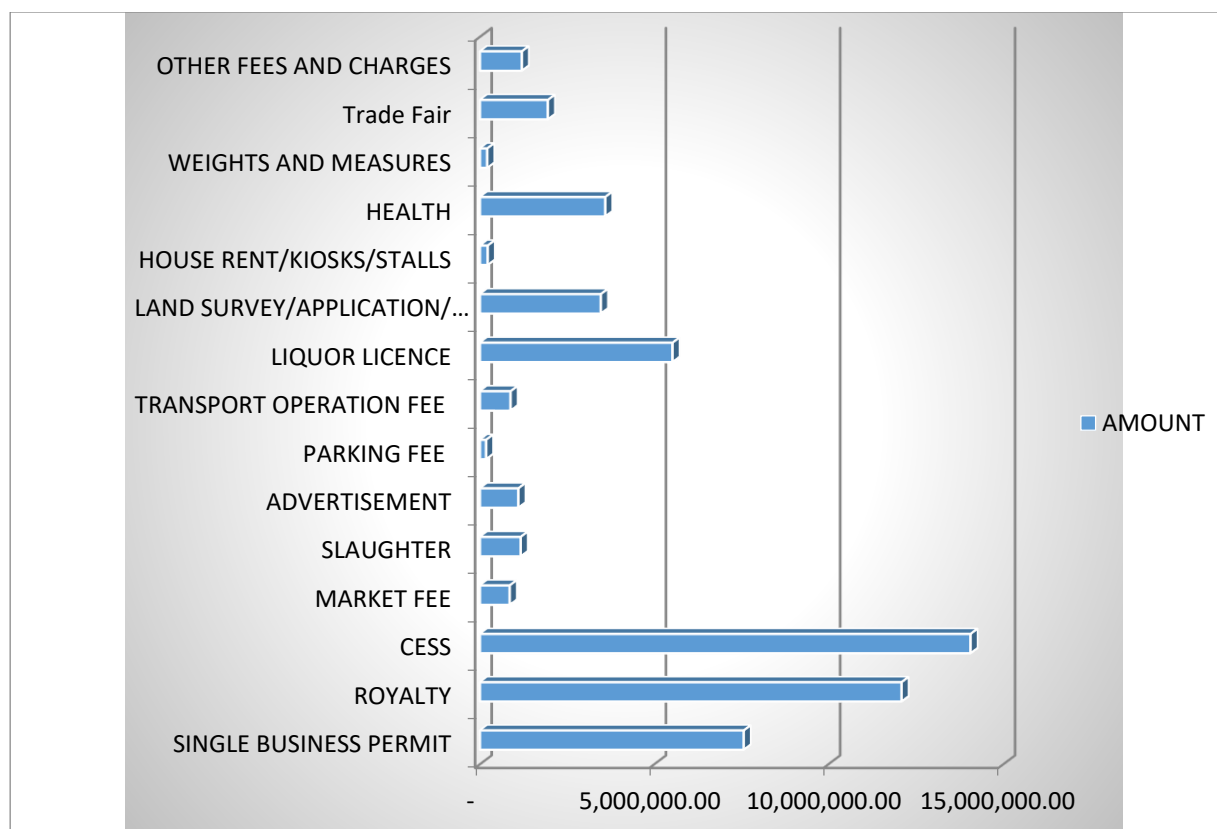
REVENUE STREAM	MINISTRY	Jul-19	Aug-19	Sep-19	Quarter I
SINGLE BUSINESS PERMIT	TRADE	2,497,400	1,222,900	3,843,350	7,563,650
ROYALTY(Murram, hardcore sand, ballast, Exploitation)	LANDS	3,689,650	7,100,630	1,296,740	12,087,020
CESS(Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services &cess	TRANSPORT	4,827,640	4,835,340	4,396,020	14,059,000
MARKET FEE(Barter, fish, market stall fees, offloading)	TRADE	289,690	287,350	272,430	849,470
SLAUGHTER/AUCTION FEE(Small and Big animals, Meat insp. fee)	PASTORAL	278,590	511,190	374,730	1,164,510
ADVERTISEMENT(Sign post, sign boards)	LANDS	9,000	32,000	1,055,500	1,096,500
PARKING FEE (all vehicles), exhauster fee	LANDS	88,380	36,990	45,880	171,250
TRANSPORT OPERATION FEE (Taxi, Bodaboda, Matatu, Canter, Lorry, and buses)	ROADS	187,730	495,160	189,510	872,400
LIQUOR LICENCES(Liquor SBP and Application Fee)	HEALTH	-	-	5,520,384	5,520,384
LAND SURVEY/APPLICATION/ BUILDING APPROVAL, school reg. fee, holding ground fee, Burrow pit fee, Toilet fee , Land transfer fee	LANDS	1,450,272	1,396,270	617,000	3,463,542
HOUSE RENT/KIOSKS/STALLS	LANDS	50,500	37,000	129,600	217,100
HEALTH(Public health & cost	HEALTH	1,114,510	1,176,075	1,300,010	3,590,595

sharing)					
WEIGHTS AND MEASURES	TRADE	88,100	25,000	90,500	203,600
TRADE FAIR	TRADE			1,942,620	1,942,620
OTHER FEES AND CHARGES(Hides and Skins), tenders,	FINANCE	171,803	374,444	649,360	1,195,607
TOTAL		14,743,265	17,530,348	21,723,634	53,997,248

2.1.1 Revenue Collection Analysis by Stream

From **Figure 1** below, we can deduce that the revenue streams with highest revenue collection are Cess at KES 14,059,000, followed by Royalty at KES 12,087,020. Streams with the least revenue collection were weight and measures at KES. 203,600 and Parking Fees at KES 171,250.

Figure 1: Own Source Revenue collection per stream.



2.1.2 Own Source Revenue analysis by County Entities.

Table 3 below is a summary of contribution by entities to own source revenue. Lands, Energy, Housing and Urban Areas Management is the highest contributor by KES 17,038,41.8, followed by Infrastructure, Transport and Public Works at KES 14, 931 400. The department of Agriculture, Pastoral Economy and Fisheries contributed the least revenue of KES.1, 164,510.

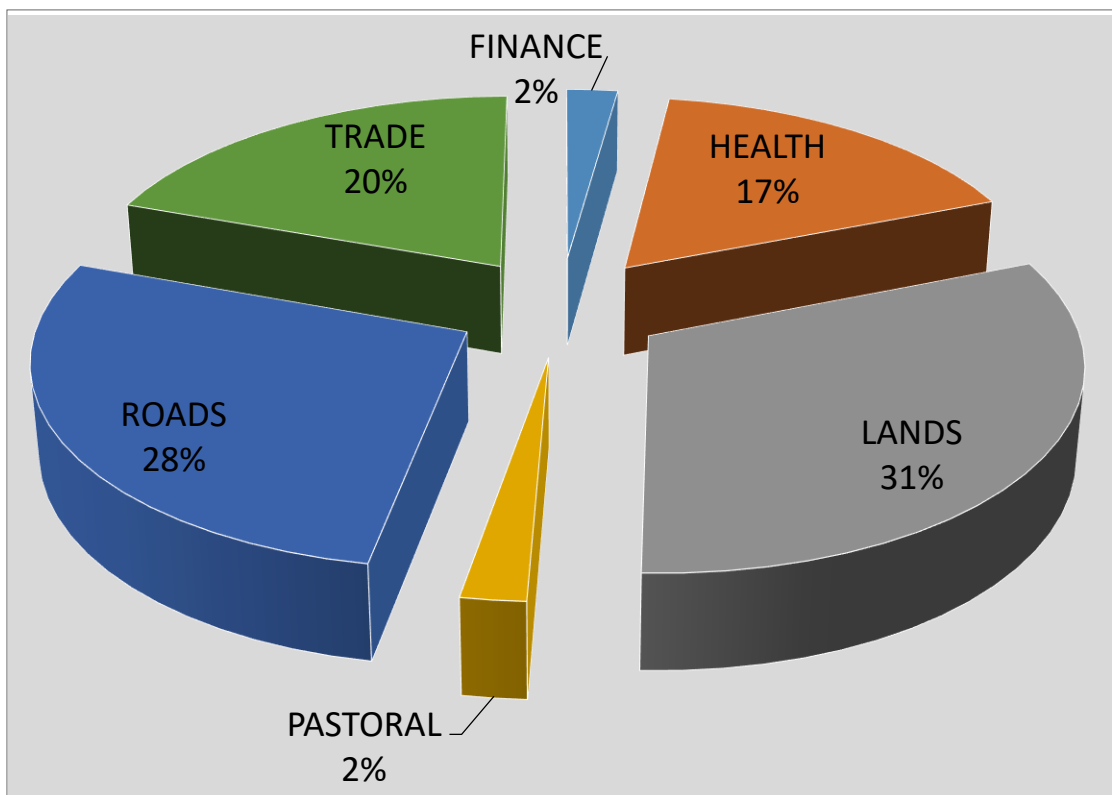
Figure 2 is a pie chart illustrating proportion of revenue each department raised in quarter one. Lands, Energy, Housing and Urban Areas Management lead with 31% while Agriculture, Pastoral Economy and Fisheries contributed 2%.

Table 3: Own Source Revenue collection by County Entities

County Entity	Amount in Kshs.
Finance and Economic Planning	1,195,606.70
Health services and Sanitation	9,110,979.00
Lands, Energy, Housing and Urban Areas Management	17,035,411.80
Agriculture, Pastoral Economy and Fisheries	1,164,510.00
Infrastructure, Transport and Public Works	14,931,400.00
Trade, Gender and Youth Affairs	10,559,340.00
TOTAL	53,997,247.50

Source: Directorate of Revenue

Figure 2: OSR analysis by County Department in percentage.

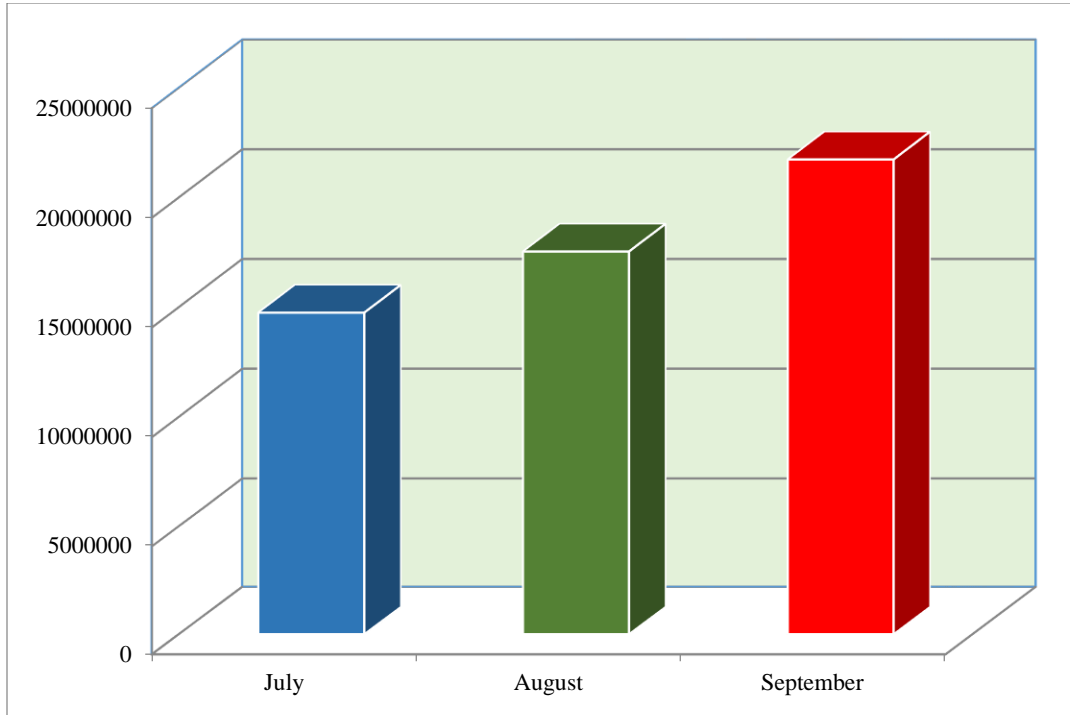


Source: Analysis by Directorate of Budget

2.1.3 Monthly Own Source Revenue Analysis.

Illustration from **Figure 3** below shows that there is an increasing trend of revenue collection from July to September with KES.14, 743,265 being recorded in July and KES. 21,723,634 being recorded in September 2019. Money owed by corporates to the county government was paid in the month of September. Also the county received money from the Exchequer twice in the month of September hence stimulating businesses activities during this period.

Figure 3: Own Source Revenue Analysis.



Source: Analysis by Directorate of Budget.

2.1.4 OSR Performance per stream against Quarterly Target

Table 4 below indicates OSR performance against quarterly target in the quarter under review. The total actual revenue collected was KES. 53,997,248 against a quarterly target of KES.62, 500,000.00 which translates to a deficit of KES 8,502,753.00 (or by 13.60%). Liquor Licenses and Advertisement (Sign posts, Sign boards) revenue streams surpassed their quarterly targets with a performance of 783.26% and 150.63% respectively. The worst performing streams were Parking Fee (all vehicle and exhaust fee), Health (Public health and cost sharing) Weights and Measures with a deficit at 92.17%, 68.08% and 59.28%. There was an improvement on revenue raised from Royalties due to remitted fees from corporates.

Table 4: Revenue Performance per Stream against target

Revenue Stream	1st Quarter	Quarter 1 Revenue Target	Variance	Percentage Change
SINGLE BUSINESS PERMIT	7,563,650	11,875,000	(4,311,350)	-36.31%
ROYALTY(Murram, hardcore sand, ballast, Exploitation)	12,087,020	7,500,000	4,587,020	61.16%
CESS(Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services &cess	14,059,000	14,375,000	(316,000)	-2.20%
MARKET FEE(Barter, fish, market stall fees, offloading)	849,470	1,875,000	(1,025,530)	-54.69%
SLAUGHTER/AUCTION FEE(Small and Big animals, Meat insp. fee)	1,164,510	2,187,500	(1,022,990)	-46.77%
ADVERTISEMENT(Sign post, sign boards)	1,096,500	437,500	659,000	150.63%
PARKING FEE (all vehicles), exhauster fee	171,250	2,187,500	(2,016,250)	-92.17%
TRANSPORT OPERATION FEE (Taxi, Boda boda, Matatu, Canter, Lorry, and buses)	872,400	1,250,000	(377,600)	-30.21%
LIQUOR LICENCES(Liquor SBP and Application Fee)	5,520,384	625,000	4,895,384	783.26%
LAND SURVEY/APPLICATION/ BUILDING APPROVAL, school reg. fee, holding ground fee, Burrow pit fee, Toilet fee , Land transfer fee	3,463,542	5,937,500	(2,473,958)	-41.67%
HOUSE RENT/KIOSKS/STALLS	217,100	375,000	(157,900)	-42.11%
HEALTH(Public health & cost sharing)	3,590,595	11,250,000	(7,659,405)	-68.08%
WEIGHTS AND MEASURES	203,600	500,000	(296,400)	-59.28%
Trade Fair	1,942,620		1,942,620	#DIV/0!
OTHER FEES AND CHARGES(Hides and Skins), tenders,	1,195,607	2,125,000	(929,393)	-43.74%

Total	53,997,248	62,500,000	(8,502,753)	-13.60%
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Source: Analysis by Directorate of Budget.

2.1.5 Own Source Revenue Collection by Ward

Details of OSR collection by wards in the months of July to September is summarised in Table 5 below, it is apparent that Kanamkemer ward had highest collection of KES 20,875,522.50, followed by Lobokat ward with collections at KES. 10,461,300.00 While Kapedo/Napeitom, Letea wards raised the least amount of OSR of KES 2090 and KES 6000 respectively. Turkana Central Sub County has remained at the top in revenue collection at KES. 35,780,627.50 While Turkana East Sub County collected the least revenue of KES.85, 460.00.

Table 5: Own Source Revenue Collection by Ward

WARDS	SUB-COUNTY	Jul-19	Aug-19	Sep-19	1ST QUARTER
Kakuma	TURKANA WEST	375,290.00	404,840.00	374,260.00	1,154,390.00
Lokichoggio	TURKANA WEST	223,400.00	151,560.00	188,480.00	563,440.00
Kalobeyei	TURKANA WEST	57,000.00	74,900.00	24,000.00	155,900.00
Songot	TURKANA WEST	10,200.00	6,000.00		16,200.00
Lopur	TURKANA WEST	3,000.00	29,000.00	6,000.00	38,000.00
Letea	TURKANA WEST	6,000.00			6,000.00
Nanam	TURKANA WEST	12,500.00	6,100.00		18,600.00
S.B.P Mass collection Kakuma Refugee camp	TURKANA WEST	-	-	2,925,050.00	2,925,050.00
SUB TOTALS	TURKANA WEST	687,390.00	672,400.00	3,517,790.00	4,877,580.00
Lake zone	TURKANA NORTH	86,900.00	62,450.00	36,840.00	186,190.00
Lapur	TURKANA NORTH	22,360.00	29,740.00	8,060.00	60,160.00
Kaeris	TURKANA NORTH		40,050.00	35,200.00	75,250.00
Kaleng/Kaikor	TURKANA NORTH	11,700.00	7,600.00	9,500.00	28,800.00
Kibish	TURKANA NORTH		10,000.00	17,500.00	27,500.00
Nakalale	TURKANA NORTH	174,400.00	202,000.00	143,660.00	520,060.00
SUB TOTALS	TURKANA NORTH	295,360.00	351,840.00	250,760.00	897,960.00
Turkwel	LOIMA	71,000.00	22,500.00	92,200.00	185,700.00
Loima	LOIMA	14,170.00	2,720.00	2,200.00	19,090.00
Lokirama/Lorengipi	LOIMA	148,070.00	181,300.00	145,000.00	474,370.00
Lobei/Kotaruk	LOIMA	3,020.00	860.00	10,400.00	14,280.00
SUB TOTALS	LOIMA	236,260.00	207,380.00	249,800.00	693,440.00
Kerio	TURKANA CENTRAL	15,110.00	66,350.00		81,460.00
Lodwar township	TURKANA CENTRAL	3,302,260.00	2,047,050.00	2,885,140.00	8,234,450.00

Kangatoha	TURKANA CENTRAL	172,000.00	95,000.00	98,050.00	365,050.00
Kalokol	TURKANA CENTRAL	962,730.00	880,810.00	924,430.00	2,767,970.00
Kanamkemer	TURKANA CENTRAL	720,640.00	705,240.00	561,980.00	20,875,522.50
LCRH	TURKANA CENTRAL	1,043,690.00	1,110,875.00	1,244,010.00	3,398,575.00
Housing				57,600.00	57,600.00
SUB TOTALS	TURKANA CENTRAL	6,216,430.00	4,905,325.00	5,771,210.00	35,780,627.50
Lokori/Kochodin	TURKANA EAST	12,080.00	12,290.00	10,300.00	34,670.00
Kapedo/Napeitom	TURKANA EAST			2,090.00	2,090.00
Katilia	TURKANA EAST		41,900.00	6,800.00	48,700.00
SUB TOTALS	TURKANA EAST	12,080.00	54,190.00	19,190.00	85,460.00
Lobokat	TURKANA SOUTH	4,099,450.00	3,047,300.00	3,314,550.00	10,461,300.00
Kalapata	TURKANA SOUTH	40,200.00			40,200.00
Kaptir	TURKANA SOUTH	38,200.00	15,100.00	12,000.00	65,300.00
Katilu	TURKANA SOUTH	11,600.00		2,200.00	13,800.00
Lokichar	TURKANA SOUTH	229,040.00	611,410.00	241,130.00	1,081,580.00
SUB TOTALS	TURKANA SOUTH	4,418,490.00	3,673,810.00	3,569,880.00	11,662,180.00
GRAND TOTAL		11,866,010.00	9,864,945.00	13,378,630.00	53,997,247.50

Source: Directorate of Revenue

2.1.6 Ward Revenue Performance against Quarterly Target

Wards collection of revenue against their quarterly targets is shown in Table 6. Performances of each wards is analysed below, it can be realize that in this quarter total revenue was above at 86%. S.B.P mass collection Kakuma refugee camp surpassed the target by 319%, followed closely by Katilia 305% .while Kapedo/Napeitom, Lokori/Kochodin and Katilu, wards performed poorly in generation by posting a minimum of revenue at 8%, 10% and 17% respectively. Notably Turkana Central Sub-county attained the revenue target of 95% while Turkana East Sub County gave the least performance at 22%. It is noted that the Refugee camp did generate revenues in this quarter under review. Turkana central led in performance which can be attributed to additional stream of revenue namely Housing, KES 57,600.

Table 6: OSR Ward Performance against FY 2018/19

WARDS	SUB-COUNTY	Quarter 1 collection	Quarter 1 targets	%
Kakuma	TURKANA WEST	1,154,390.00	2,776,174.50	42%
Lokichoggio	TURKANA WEST	563,440.00	1,308,156.25	43%
Kalobeyei	TURKANA WEST	155,900.00	301,353.25	52%
Songot	TURKANA WEST	16,200.00	25,000.00	65%
Lopur	TURKANA WEST	38,000.00	30,000.00	127%
Letea	TURKANA WEST	6,000.00	10,000.00	60%
Nanam	TURKANA WEST	18,600.00	15,000.00	124%
S.B.P Mass collection. Kakuma Refugee camp	TURKANA WEST	2,925,050.00	917,037.50	319%
SUB TOTALS	TURKANA WEST	4,877,580.00	5,382,721.50	91%
Lake zone	TURKANA NORTH	186,190.00	333,857.50	56%
Lapur	TURKANA NORTH	60,160.00	37,500.00	160%
Kaeris	TURKANA NORTH	75,250.00	37,500.00	201%
Kaleng/Kaikor	TURKANA NORTH	28,800.00	21,250.00	136%
Kibish	TURKANA NORTH	27,500.00	72,500.00	38%
Nakalale	TURKANA NORTH	520,060.00	680,726.25	76%
SUB TOTALS	TURKANA NORTH	897,960.00	1,183,333.75	76%
Turkwel	LOIMA	185,700.00	686,021.00	27%
Loima	LOIMA	19,090.00	54,768.00	35%
Lokiriama/Lorengipi	LOIMA	474,370.00	741,725.00	64%
Lobei/Kotaruk	LOIMA	14,280.00	78,383.50	18%
SUB TOTALS	LOIMA	693,440.00	1,560,897.50	44%
Kerio	TURKANA CENTRAL	81,460.00	62,500.00	130%
Lodwar township	TURKANA CENTRAL	8,234,450.00	15,000,000.00	55%
kangatoha	TURKANA CENTRAL	365,050.00	284,202.00	128%
County HQs	TURKANA CENTRAL	18,887,662.50	11,486,165.25	164%
Kalokol	TURKANA CENTRAL	2,767,970.00	2,004,827.25	138%
Kanamkemer	TURKANA CENTRAL	1,987,860.00	3,486,075.50	57%
LCRH	TURKANA CENTRAL	3,398,575.00	5,500,000.00	62%
Housing		57,600.00		
SUB TOTALS	TURKANA CENTRAL	35,780,627.50	37,823,770.00	95%
Lokori/Kochodin	TURKANA EAST	34,670.00	341,848.75	10%
Kapedo/Napeitom	TURKANA EAST	2,090.00	26,530.75	8%
Katilia	TURKANA EAST	48,700.00	15,992.00	305%
SUB TOTALS	TURKANA EAST	85,460.00	384,371.50	22%
Lobokat	TURKANA SOUTH	10,461,300.00	13,750,000.00	76%
Kalapata	TURKANA SOUTH	40,200.00	33,699.25	119%
Kaptir	TURKANA SOUTH	65,300.00	106,409.25	61%
Katilu	TURKANA SOUTH	13,800.00	80,588.25	17%
Lokichar	TURKANA SOUTH	1,081,580.00	2,194,209.00	49%
SUB TOTALS	TURKANA SOUTH	11,662,180.00	16,164,905.75	72%
GRAND TOTAL		53,997,247.50	62,500,000.00	86%

Source: Directorate of Revenue

2.1.7 Quarter 1 Revenue Performance compared to the same quarter of FY 2018/19.

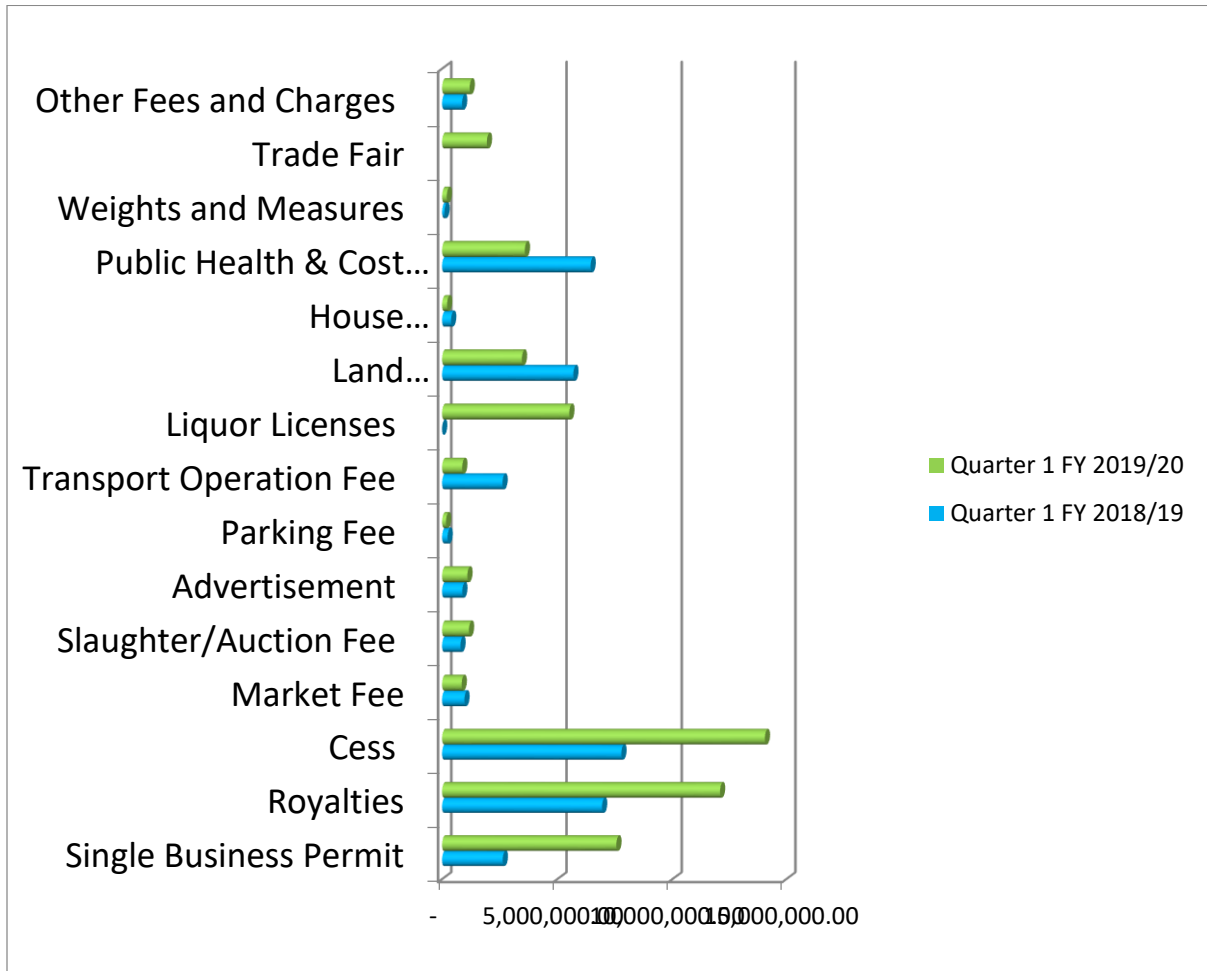
Comparative performance of revenue streams of the FY 2018/19 & FY 2019/20 is displayed in Table 7 and Figure 4 below. From the analysis it reveals a reasonable percentage increment of 48.50% and this is attributed to increase in collection from all streams, awakening of dormant stream which did not contribute in the last quarter, additional revenue like S.B.P mass collection in refugee camp, Housing in Turkana Central and payment of due from corporates

Table 6: Revenue Collected by Stream Compared to same period in FY 2018/19.

Revenue Stream	Quarter 1 FY 2018/19	Quarter 1 FY 2019/20	Variance	Percentage Change
Single Business Permit	2,631,700.00	7,563,650.00	4,931,950.00	187.41%
Royalties	6,943,197.00	12,087,020.00	5,143,823.00	74.08%
Cess	7,782,090.00	14,059,000.00	6,276,910.00	80.66%
Market Fee	968,970.00	849,470.00	(119,500.00)	-12.33%
Slaughter/Auction Fee	797,280.00	1,164,510.00	367,230.00	46.06%
Advertisement	876,020.00	1,096,500.00	220,480.00	25.17%
Parking Fee	238,780.00	171,250.00	(67,530.00)	-28.28%
Transport Operation Fee	2,623,000.00	872,400.00	(1,750,600.00)	-66.74%
Liquor Licenses	-	5,520,384.00	5,520,384.00	#DIV/0!
Land Survey/Application/Building Approval Fee	5,695,138.90	3,463,541.80	(2,231,597.10)	-39.18%
House Rent/Kiosks/Stalls	390,850.00	217,100.00	(173,750.00)	-44.45%
Public Health & Cost Sharing	6,445,047.06	3,590,595.00	(2,854,452.06)	-44.29%
Weights and Measures	103,700.00	203,600.00	99,900.00	96.34%
Trade Fair		1,942,620.00	1,942,620.00	#DIV/0!
Other Fees and Charges	865,838.50	1,195,606.70	329,768.20	38.09%
TOTAL	36,361,611.46	53,997,247.50	17,635,636.04	48.50%

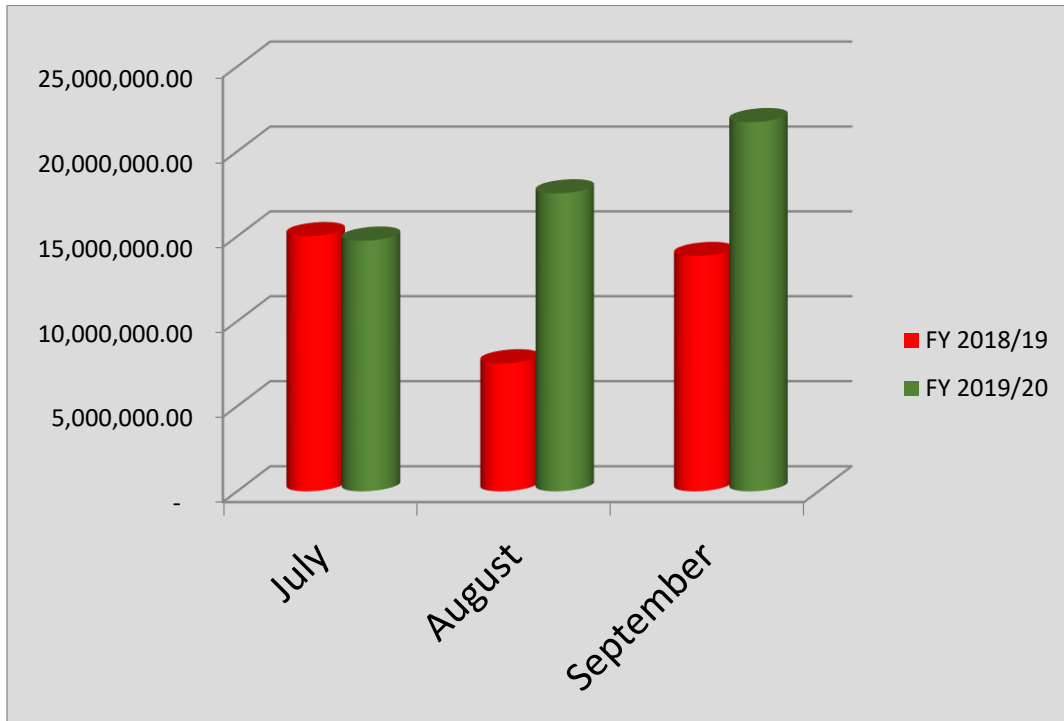
Source: Analysis by Directorate of Budget

Figure 4: Comparative Quarterly Revenue stream Performance for FY 2018/19 & FY 2018/19



Source: Analysis by Directorate of Budget

Figure 5: Comparative Monthly OSR Collection FY 2018/19 & 2019/20



Source: Analysis by Directorate of Budget, Turkana County

From the illustration in **Figure 5** above, the peak OSR was collected in the month of July for FY 2018/19, whereas the utmost OSR for FY 2019/2020 was collected in the month of September. The lowermost OSR for FY 2018/2019 was poised in the month August while the month of July recorded the bottommost OSR for FY 2019/2020 As compared to FY 2018/19. There was an increase of revenue collection from KES 36,361,611.46 to KES 53,997,247.50

3.0 EXPENDITURE PERFORMANCE

3.1 County Revenue Fund (CRF) Releases

In the period under review, County Revenue Fund had a sum of KES 1,889,844,008 available for spending, out of the total amount KES 573, 372, 079 was released to County Executive Recurrent Account, KES 1,982,460 to Fund Accounts and KES 260,000,000 to County Assembly Recurrent Account. **Table 10** below summarizes the CRF releases for spending to recurrent accounts for the County Executive and the County Assembly.

Table 10: CRF Releases

COUNTY REVENUE FUND RELEASES					
	COUNTY EXECUTIVE			COUNTY ASSEMBLY	
Month	Recurrent Account	Development Account	Fund Accounts	Recurrent Account	Development Account
September	573,372,079		1,982,460	260,000,000	
Total Per Category	573,372,079	0	1,982,460	260,000,000	0
FY 2019/20 Total Revenue at CRF			1,889,844,008.00		

Source: Turkana County Treasury

3.2 Expenditure (Recurrent & Development) Analysis

Table 11 below demonstrate total expenditure; the collective expenditure for the first Quarter FY 2019/20 for both the Executive and the County Assembly which amounted to KES. 1,209,269,113 containing only recurrent expenditure. It is noted that Finance and Economic Planning, Public Service, Administration and Disaster Management and County Assembly were the only entities recorded expenditures.

Table 11: Quarter 1 Turkana County Expenditure Summary

Department	Current Expenditure (1)	Development Expenditure (2)	Total Expenditure (3) Year-To-Date	Absorption Rate(%) (4)
Governance	0.00	0.00	0.00	0%
Office of the Deputy Governor	0.00	0.00	0.00	0%
County Attorney	0.00	0.00	0.00	
Finance and Economic Planning	7,855,940.04	0.00	7,855,940.04	1%
Water Services, Environment and Mineral Resources	0.00	0.00	0.00	0%
Health & Sanitation Services	0.00	0.00	0.00	0%
Trade, Gender and Youth Affairs	0.00	0.00	0.00	0%
Education, Sports and Social Protection	0.00	0.00	0.00	0%
Public Service, Administration. & Disaster Management	846,477,343.88	0.00	846,477,343.88	18%
Infrastructure Transport & Public Works	0.00	0.00	0.00	0%
Agriculture, Pastoral Economy & Fisheries	0.00	0.00	0.00	0%
Tourism, Culture and Natural Resources	0.00	0.00	0.00	0%
Lands, Energy, Housing & Urban Areas Mgt.	0.00	0.00	0.00	0%
County Assembly	354,935,828.7	0.00	354,935,828.74	31%
County Public Service Board	0.00	0.00	0.00	0%
TOTAL	1,209,269,113	0	1,209,269,113	8%

Source: Directorate of Accounting Services.

3.2.1 Actual Expenditure against target Expenditure.

County Entities reported expenditure within the first quarter as shown in **Table 12** below. The County Assembly had the highest quarterly expenditure performance by hitting a target of 125%, followed by Public Service, Administration and Disaster Management at 71% and lastly Finance and Economic Planning at 4%. In this quarter most departments reported zero expenditure. The overall absorption rate for the entire County is 34% of the quarterly expenditure target.

Table 12: Expenditure analysis against Quarterly Target

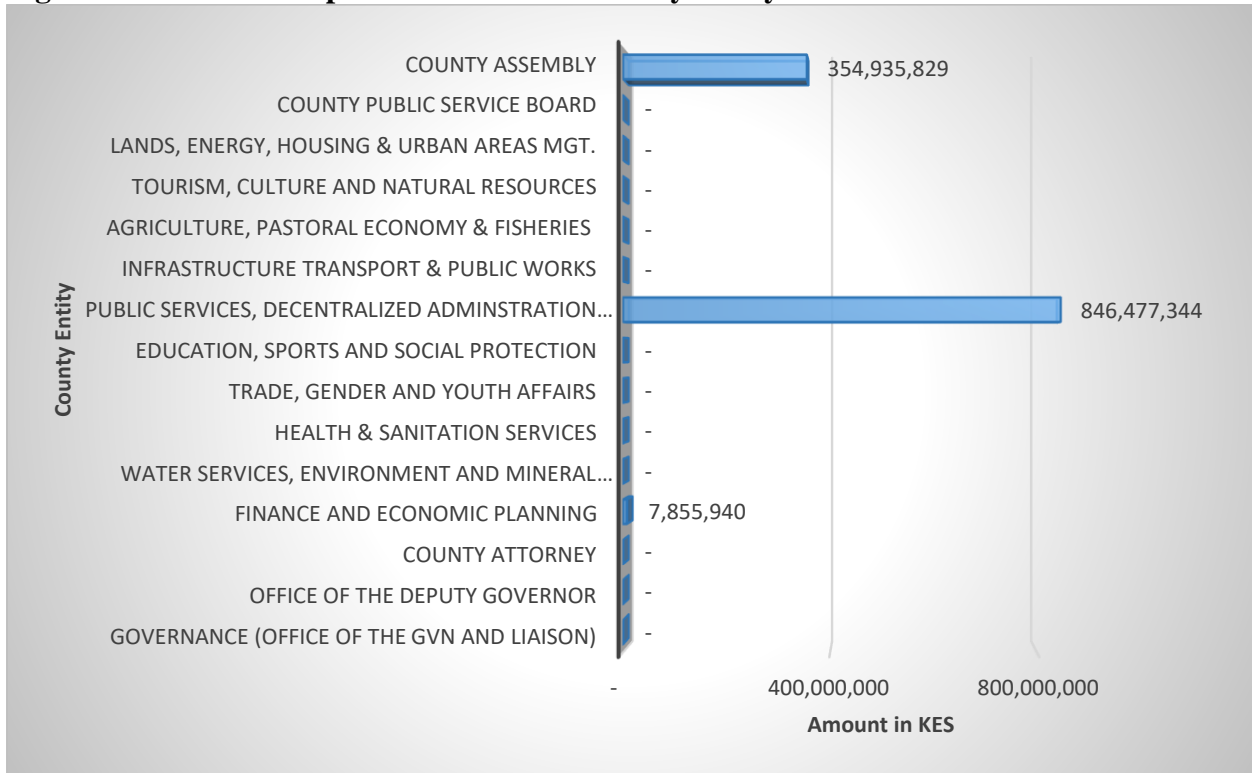
COUNTY ENTITY	QUARTER 1 EXPENDITURE	EXPENDITURE TARGET	ABSORPTION RATE
Governance	-	163,833,421.88	0%
Office of the Deputy Governor	-	9,010,133.02	0%
County Attorney	-	31,005,021.33	0%
Finance and Economic Planning	7,855,940.04	190,177,526.16	4%
Water Services, Environment and Mineral Resources	-	206,103,765.53	0%
Health & Sanitation Services	-	304,084,703.45	0%
Trade, Gender and Youth Affairs	-	94,982,795.44	0%
Education, Sports and Social Protection	-	284,803,611.34	0%
Public Service, Administration. & Disaster Management	846,477,343.88	1,194,683,818.28	71%
Infrastructure Transport & Public Works	-	173,343,788.89	0%
Agriculture, Pastoral Economy & Fisheries	-	400,682,324.26	0%
Tourism, Culture and Natural Resources	-	76,091,193.78	0%
Lands, Energy, Housing & Urban Areas Mgt.	-	123,986,225.95	0%
County Assembly	354,935,828.74	284,194,870.38	125%
County Public Service Board	-	29,953,753.46	0%
TOTAL	1,209,269,112.66	3,566,936,953.13	34%

Source: Directorate of Budget Analysis

3.2.2 Recurrent Expenditure by Entity

From **Figure 7** below, the department of Public Service, Administration and Disaster Management reported the highest recurrent expenditure of KES. 846,477,343.9 as a result of expenditure on Compensation to Employees translating to 71% absorption of the quarterly expenditure target. The County Assembly and the department of Finance and Economic Planning recorded recurrent expenditure at KES. 354,935,828.74 And KES. 7,855,940.04 Respectively. Most of the entities recorded zero expenditure as shown below.

Figure 7: Recurrent Expenditure Performance by Entity

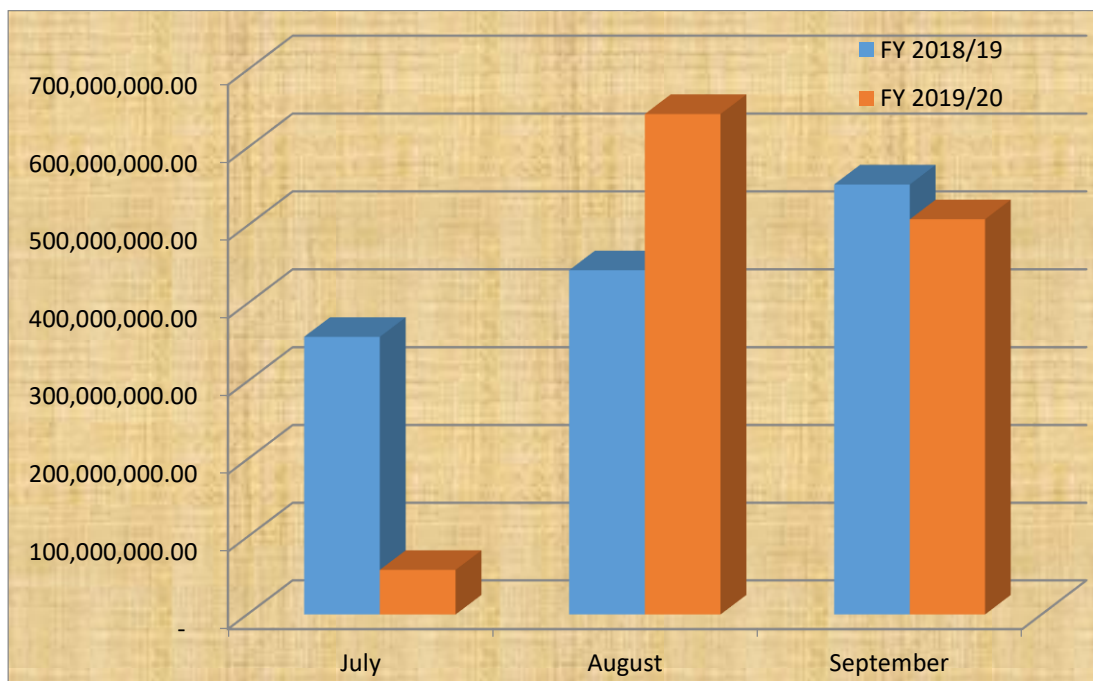


Source: Budget Directorate Analysis.

3.2.3 Comparative Quarter I Expenditure Performance for FY 2019/20 & FY 2018/19

The analysis from **Figure 8** below reveals erratic expenditure performance for FY 2019/20 unlike FY 2018/19 that recorded a steady upward trend of expenditure. The month of August recorded the highest expenditure followed by September while July posted very low expenditure. In both financial years, the month of July consistently recorded the lowest expenditure. Being the start of the financial year, activities tend to experience laxity due to delay in release of funds. Cumulatively, less expenditure was reported in the quarter of FY 2019/20 compared to the same period in the FY 2018/19.

Figure 8: Quarterly Comparative Expenditure Performance



Source: Analysis by the Directorate of Budget

3.2.4 Development Expenditure by Entity

There is no development expenditure incurred in the county for the period under review due to non-disbursement of Development Funds from national treasury

4.0 KEY FINDINGS

4.1.0 Revenue

4.1.1 Revenue in the CRF Account

During the quarter under review, the county had a total of KES 1,833,864,300.00 in County Revenue Fund Account.

4.1.2 Own Source Revenue

- i. Measures devised by Directorate of Revenue to improve Own Source Revenue have been realized with increase in amount in this quarter to KES 53,997,248 almost hitting the quarter target of KES. 62,500,000.00
- ii. In comparison to a similar quarter in the FY 2018/19, revenue collected in the quarter under review in FY 2019/20 increased from KES 36,361,611.46 to KES 53,997,248.00
- iii. There was general improvement in streams performance i.e. Liquor Licenses, Advertisement (Sign posts, Sign boards) and Royalty (Murrum, hardcore sands, ballasts, and exploitation) revenue streams surpassed their quarterly targets with a performance of 783.26%, 150.63% and 61.16% respectively. While Parking Fee (all vehicles), exhauster fee and Health (Public health & cost sharing) performed poorly at -92.17% and -68.08% respectively.
- iv. CESS (Transport, Hide & skin, Fish, Charcoal, Firewood, Miraa, Handicraft, and Exhauster Services) ROYALTY (Murrum, hardcore sand, ballast, exploitation) and Single Business Permit were the best contributing revenue streams in the quarter contributing KES 14,059,000.00, KES. 12,087,020.00 and KES 7,563,650.00 respectively.
- v. County Department of Lands, Energy, Housing and Urban Areas Management was the highest contributor to the revenue basket raising KES 17,038,418.00 followed by Infrastructure, Transport and Public Works at KES 14,931,400.00. The department of Finance recorded KES 1,195,606.7 while Agriculture, Pastoral Economy and Fisheries being the least contributor at KES.1, 164,510.
- vi. Turkana Central Sub County raised the highest revenue of KES. 35,780,627.50 whereas Turkana East Sub County collected the least revenue of KES.85,460.00.
- vii. Geographically, County Headquarter was the leading revenue collector with a collection of KES 18,887,662.50, followed by Lobokat ward with KES. 10,461,300.00 While

Kapedo/Napeitom, Letea wards raised the least amount of OSR of KES 2,090.00 and KES 6,000.00

- viii. S.B.P mass collection Kakuma refugee camp surpassed their target by 319%, followed closely by Katilia 305% while Kapedo/Napeitom, Lokori/Kochodin and Katilu wards performed poorly in generation by posting a minimum of revenue at 8%, 10% and 17% respectively.

4.2 Expenditure.

- i. The total cumulative expenditure for the quarter was reported at KES 1,209,269,113 for recurrent and there was no reported expenditure for development, this translated to an aggregate expenditure of KES. 1,209,269,113, representing 34% performance against quarterly expenditure target of KES. 3 566,936,953.13.
- ii. The Department of Public Service, Administration and Disaster Management reported the highest recurrent expenditure of KES 846,477,343.9 translating into average performance of 71%, followed by County Assembly at KES 354,935,828.74.
- iii. The Overall Absorption rate for the County for the period under review is 8% which is drawn from the recurrent expenditure only. As mentioned above County did not incur any development expenditure.

5.0 RECOMMENDATIONS

- i. Revision of targets for each revenue stream should be done to reflect the actual achievable performance and revenue generation potential, to avoid a situation where targets are abnormally surpassed.
- ii. For the first time revenue department set the highest record of collection at KES 53,997,248 in quarter one. However, the revenue targets set quarterly by revenue department have not been achieved. To surpass or achieve the target, there is need to invest and enhance revenue streams that contribute the highest amount of revenue.
- iii. Delay in the disbursement of funds has severely impacted on budget implementation especially on projects supported by conditional funds.

6.0 ANNEXES

6.1 OSR by Ward

Table 9: Revenue Collection per Ward

WARDS	SUB-COUNTY	Jul-19	Aug-19	Sep-19	1ST QUARTER
Kakuma	TURKANA WEST	375,290.00	404,840.00	374,260.00	1,154,390.00
Lokichoggio	TURKANA WEST	223,400.00	151,560.00	188,480.00	563,440.00
Kalobeyei	TURKANA WEST	57,000.00	74,900.00	24,000.00	155,900.00
Songot	TURKANA WEST	10,200.00	6,000.00		16,200.00
Lopur	TURKANA WEST	3,000.00	29,000.00	6,000.00	38,000.00
Letea	TURKANA WEST	6,000.00			6,000.00
Nanam	TURKANA WEST	12,500.00	6,100.00		18,600.00
S.B.P Mass coll. Kkm Refugee cmp	TURKANA WEST	-	-	2,925,050.00	2,925,050.00
SUB TOTALS	TURKANA WEST	687,390.00	672,400.00	3,517,790.00	4,877,580.00
Lake zone	TURKANA NORTH	86,900.00	62,450.00	36,840.00	186,190.00
Lapur	TURKANA NORTH	22,360.00	29,740.00	8,060.00	60,160.00
Kaeris	TURKANA NORTH		40,050.00	35,200.00	75,250.00
Kaleng/Kaikor	TURKANA NORTH	11,700.00	7,600.00	9,500.00	28,800.00
Kibish	TURKANA NORTH		10,000.00	17,500.00	27,500.00
Nakalale	TURKANA NORTH	174,400.00	202,000.00	143,660.00	520,060.00
SUB TOTALS	TURKANA NORTH	295,360.00	351,840.00	250,760.00	897,960.00
Turkwel	LOIMA	71,000.00	22,500.00	92,200.00	185,700.00
Loima	LOIMA	14,170.00	2,720.00	2,200.00	19,090.00

Lokirama/Lorengipi	LOIMA	148,070.00	181,300.00	145,000.00	474,370.00
Lobei/Kotaruk	LOIMA	3,020.00	860.00	10,400.00	14,280.00
SUB TOTALS	LOIMA	236,260.00	207,380.00	249,800.00	693,440.00
Kerio	TURKANA CENTRAL	15,110.00	66,350.00		81,460.00
Lodwar township	TURKANA CENTRAL	3,302,260.00	2,047,050.00	2,885,140.00	8,234,450.00
kangatoha	TURKANA CENTRAL	172,000.00	95,000.00	98,050.00	365,050.00
County HQs	TURKANA CENTRAL	2,877,255.10	7,665,403.40	8,345,004.00	18,887,662.50
Kalokol	TURKANA CENTRAL	962,730.00	880,810.00	924,430.00	2,767,970.00
Kanamkemer	TURKANA CENTRAL	720,640.00	705,240.00	561,980.00	1,987,860.00
LCRH	TURKANA CENTRAL	1,043,690.00	1,110,875.00	1,244,010.00	3,398,575.00
Housing				57,600.00	57,600.00
SUB TOTALS	TURKANA CENTRAL	9,093,685.10	12,570,728.40	14,116,214.00	35,780,627.50
Lokori/Kochodin	TURKANA EAST	12,080.00	12,290.00	10,300.00	34,670.00
Kapedo/Napeitom	TURKANA EAST			2,090.00	2,090.00
Katilia	TURKANA EAST		41,900.00	6,800.00	48,700.00
SUB TOTALS	TURKANA EAST	12,080.00	54,190.00	19,190.00	85,460.00
Lobokat	TURKANA SOUTH	4,099,450.00	3,047,300.00	3,314,550.00	10,461,300.00
Kalapata	TURKANA SOUTH	40,200.00			40,200.00
Kaptir	TURKANA SOUTH	38,200.00	15,100.00	12,000.00	65,300.00
Katilu	TURKANA SOUTH	11,600.00		2,200.00	13,800.00
Lokichar	TURKANA SOUTH	229,040.00	611,410.00	241,130.00	1,081,580.00
SUB TOTALS	TURKANA SOUTH	4,418,490.00	3,673,810.00	3,569,880.00	11,662,180.00
GRAND TOTAL		14,743,265.10	17,530,348.40	21,723,634.00	53,997,247.50

Source: Directorate of Revenue, Turkana County

6.2 Comprehensive Expenditure Matrix

Table 10: Quarter Three Expenditure FY 2018/19 and FY 2017/18 Compared

FY 2018/2019 EXPENDITURE REPORT	Q 4 FY 2018/19 Expenditure						Q 4 FY 2017/18 Expenditure					
	COUNTY ENTITY	FY 18/19 Budget	April	May	June	TOTAL	Absorption	FY 17/18 Budgets	April	May	June	Total
Governance (Office of the Gvn and Liaison)	563,336,660	30,117,111	20,789,696	160,583,600	211,490,408	38%	412,198,395	34,188,622	26,127,002	71,754,281	132,069,905	32%
Office of the Deputy Governor	21,136,437	1,068,000	1,327,178	2,688,911	5,084,089	24%	21,136,437	-	3,384,465	3,174,976	6,559,441	31%
County Attorney	90,270,000	-	3,234,600	40,383,169	43,617,769	48%	-	-	-	-	-	#DIV/0!
Finance and Planning	953,493,400	30,452,977	110,911,348	353,560,542	494,924,867	52%	756,603,450	7,676,254	9,270,800	80,955,045	97,902,099	13%
Water Services, Environment and Mineral Resources	654,447,770	48,517,421	30,303,404	271,961,020	350,781,845	54%	699,993,343	1,337,825	28,607,660	25,205,262	55,150,747	8%
Health & Sanitation Services	1,512,074,357	60,360,372	60,035,350	451,498,360	571,894,081	38%	1,412,947,191	19,150,035	25,609,580	294,477,949	339,237,564	24%
Trade, Gender and Youth Affairs	596,679,738	8,349,931	14,586,945	67,946,664	90,883,540	15%	360,739,002	2,408,449	9,756,308	20,645,682	32,810,438	9%
Education, Sports and Social Protection	1,380,186,579	83,021,407	26,212,998	178,435,335	287,669,740	21%	853,631,067	3,357,899	25,477,225	12,730,580	41,565,704	5%
Public Services, Administration &	4,421,305,771	284,714,416	449,243,073	1,442,054,669	2,176,012,157	49%	3,796,644,299	316,476,260	276,766,010	435,245,553	1,028,487,823	27%

Disaster Management												
Infrastructure Transport & Public Works	558,750,727	185,248,629	177,440,634	194,663,547	557,352,809	100%	1,225,668,002	336,400	225,784,144	163,556,999	389,677,543	32%
Agriculture, Pastoral Economy & Fisheries	785,954,064	29,870,442	74,366,776	180,924,629	285,161,847	36%	681,752,741	1,110,482	14,828,700	51,251,791	67,190,973	10%
Tourism, Culture and Natural Resources	282,130,238	6,140,636	3,055,700	75,196,777	84,393,113	30%	223,692,548	19,714,774	4,591,948	25,758,117	50,064,839	22%
Lands, Energy, Housing & Urban Areas Mgt.	302,181,713	10,004,277	34,960,980	95,255,301	140,220,557	46%	391,249,084	7,123,943	4,697,267	8,900,600	20,721,810	5%
County Public Service Board	121,926,106	2,173,217	1,488,000	38,295,146	41,956,363	34%	128,491,715	2,074,402	1,269,462	24,048,846	27,392,710	21%
County Assembly	1,291,581,888	70,702,631	70,661,139	225,175,803	366,539,572	3%	1,185,931,320	40,528,579	108,442,265	337,248,513	486,219,356	41%
TOTAL EXPENDITURE	13,535,455,447	850,741,465	1,078,617,820	3,778,623,472	5,707,982,757	42%	12,150,678,594	455,483,923	764,612,836	1,554,954,193	2,775,050,952	23%

