



COUNTY GOVERNMENT OF TURKANA

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

QUARTER FOUR BUDGET IMPLEMENTATION REPORT

FY 2020/21

© Fourth Quarter Budget Implementation Report FY 2020/21

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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 socio, environmental, economic and equitable transformation of the Turkana People.

FOREWORD

I am honored to present Fourth Quarter Budget Implementation Report for FY 2020/21. This report is used to share information of budget execution to public, governments on the performances of revenue received both from National and County Governments, Also the report provide analyses of county both recurrent and development expenditures performance, monitoring of projects and programmes implemented during the period under review. This report therefore promotes legal requirement principle of transparency and accountability to the public in handling of government resources.

This report comes such a time when government is implementing its quarterly budget from April to June 2021 when the world is affected with unprecedented Corona Virus Disease 2019, the government took containment measures including restricted movements, closure of public events, dusk to dawn curfew, these disruptions and shocks have been adversely been felt both in short and medium term which resulted in disruption of revenues flow and limited demand and supply of goods and services.

Production of this report is largely based on financial reports submitted by County Treasury and data generated from the Integrated Financial Management Information System (IFMIS). The report contains analyzed revenues received from the Exchequer and the Own Source Revenue (OSR) collected within the borders of Turkana County. Recurrent and development expenditures have been computed and the overall burn rate determined for the quarter.

Emathe Namuar
County Executive Committee Member
Finance and Economic Planning

ACKNOWLEDGEMENT.

This is Fourth Quarter Budget Implementation Report 2020/21 is prepared in accordance to Section 166 of the Public Finance Management (PFM) Act, 2012. The report present the status of budget implementation on revenue collections, performance against targets, comparison with previous financial years and expenditure performance by the county entities for the period (quarter) against targets. The shortcomings that hindered budget implementation have been presented together with recommendations.

Compilation of this report was eased by satisfactory data receive from Department of Revenue and financial reports generated by the County Treasury. It is my expectation that this report will enable Count Departments to both access financial and non-financial performances, coming up with mechanisms to address the emphasized challenges brought about by the COVID-19 Pandemic.

Production of this report has been made possible through the concerted effort of staff from the budget office. I am, therefore, indebted to all the staff from County Treasury who were involved in provision of data. Economic Planning is looking forward cooperate with the County Departments as they move forward on budget implementation and wish the public to participate in the budgetary process and giving feedback to improve budget execution.

Jeremiah Apalia
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
COVID-19	Corona Virus Disease 2019
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, and 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 presenting Fourth Quarter Budget Implementation Report of Turkana County for the FY 2020/21 which has been prepared pursuant to Section 166 of the PFM Act, 2012. The Quarterly Budget Implementation report is used by the County Treasury to give information on budget implementation to the County Departments, the National Treasury, Controller of Budget, and Commission on Revenue Allocation to promote openness, transparency and provide information to the public on the management of public resources

This report presents the status of budget implementation by the Turkana County Government in the months April to June of the financial year 2020/21 on a review of actual expenditure against budget allocations by departments. BIR is based on the approved budget and financial reports submitted by county treasury to the Budget Office and bolstered by data from the Integrated Financial Management Information System (IFMIS). The drawbacks that hampered budget implementation have been presented together with recommendations.

Turkana County Government allocation from the National Government in the FY 2020/2021 was **KES 10,571,100,000.00** as Equitable Share, **KES 1,318,794,916.00** as Conditional Grants and **KES 150,000,000.00** as Own Source Revenue. The balance brought forward from the previous financial year 2019/2020 as unutilized funds totalled to **KES 2,992,862,368.00**. The revenue basket available for utilization for the financial year amounted to **KES 15,032,757,284.00**. From the revenue basket, a total of **KES 9,134,853,540.99** representing a percentage of **60.77%** of the total budget was allocated to recurrent expenditure while **KES 5,897,903,743.00** for development expenditure representing **39.23%**.

During the quarter under review, **KES 5,600,291,481.50** was released from the County Revenue Fund to the County Executive Recurrent Account. The other County Accounts received no revenue for spending in the entire quarter.

Total Own Source Revenue collection for the quarter under review was **KES. 55,875,373.85** Against quarterly target of **KES. 37,500,000** superseding the target by **KES. 18,375,373.85** Which translates to a performance of **149%**. Single Business Permit performed best because of thriving business activities after ease of Corona Virus Disease 2019 by surpassing its quarterly

target by **281%** followed closely by House Rent/Kiosks/Stalls with a performance of **261%**. The streams that performed least were Advertisement(Sign post, sign boards) with 7% and Environment, Corporates and Trade Fair and SBP Mass collection Kakuma Refugee Camp with zero performance because of Nil collection.

Single Business Permit leads in revenue collection with KES 19,005,600.00 followed by CESS(Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services & cess) at KES 17,613,430.00 and ROYALTY(Murrum, hardcore sand, ballast, Exploitation) at KES. 6,132,801.00. Streams with the least revenue collection were weights & measures at KES 177,400.00, Charcoal Cess/Permits KES 44,000 and Advertisement (Sign post, sign boards) at KES. 15,540.00. Environment, Trade Fair, Corporates and SBP Mass collection Kakuma Refugee Camp collected nil revenue.

Departments of Trade, Gender and Youth Affairs with KES 20,598,105 followed by Infrastructure, Transport and Public Works KES 17,613,430. The departments of Tourism, Culture and Natural Resources contributed least of revenue at KES. 44,000.

Lobokat Ward recorded the highest collection of **KES. 13,188,050** followed by Township ward with a collection of **KES. 11,367,305** while Kibish Ward collected the lowest revenue of **KES. 6,900**.

At the Sub-County level, Turkana Central Sub County recorded the highest revenue of **KES 33,114,013.85** which can be attributed to high collection of revenue in Township and Kalokol wards, contributions from Department of Lands, performances of Lodwar County Referral Hospital, County Headquarters. Kibish Sub-County collected the lowest amount of revenue

Quarter four Expenditure for FY 2020/21 for both the County Executive and the County Assembly aggregated to **KES 5,210,083,640.15**. The expenditure is seen to be constantly increasing from April to June. The quarter under review Recurrent expenditure amounted to **KES 3,809,075,351.25** while the overall development expenditure recorded by the county was **KES 1,401,008,288.90**. Public Service, Administration. & Disaster Management recorded the highest recurrent expenditure of **KES 1,714,976,377.10**. Health & Sanitation Services registered the highest development percentage of expenditure of **24%** while some votes including Office of

the Deputy Governor, Public Service, Administration & Disaster Management, County Attorney and County Public Service Board had nil Development Expenditure.

All the county entities registered above average absorption rate. They had an overall absorption rate of **139%**. Finance and Economic planning had a notable absorption rate of **266%** against its quarterly target.

2.0 REVENUE PERFORMANCE

2.1 County Revenue Fund Releases for the Quarter (April - June 2021)

In the third quarter of FY 2020/21, **KES 5,600,291,481.50** was released from the County Revenue Fund for spending. The monies released to County Executive Recurrent account amounted to **KES. 3,583,137,424.00** while the County Executive Development account received **KES. 1,383,971,189.00** and Fund Accounts received **KES 273,026,249.50**. The County Assembly Recurrent and Development accounts received **KES. 344,344,596.00** and **KES. 15,812,023.00** respectively.

Table 1 below shows the CRF releases for spending to various accounts for the County Executive and the County Assembly.

Table 1: Quarter 3 County Revenue Fund Releases

COUNTY REVENUE FUND RELEASES					
	COUNTY EXECUTIVE			COUNTY ASSEMBLY	
Month	Recurrent Account	Development Account	Fund Accounts	Recurrent Account	Development Account
April	599,845,749.00	87,166,908.00		166,962,085.00	
May	1,210,218,773.00	260,134,582.00	27,058,920.90	54,269,172.00	15,812,023.00
June	1,773,072,902.00	1,036,669,699.00	245,967,328.60	123,113,339.00	
Total Per Category	3,583,137,424.00	1,383,971,189.00	273,026,249.50	344,344,596.00	15,812,023.00
Total Releases for Quarter IV			5,600,291,481.50		

Source: County Treasury

2.1.0 Own Source Revenue.

Own Source Revenue collected during the quarter under review amounted to **KES 55,875,373.85** as denoted in Table 2 below.

Table 2: Own Source Revenue Collection for Quarter IV FY 2020/2021

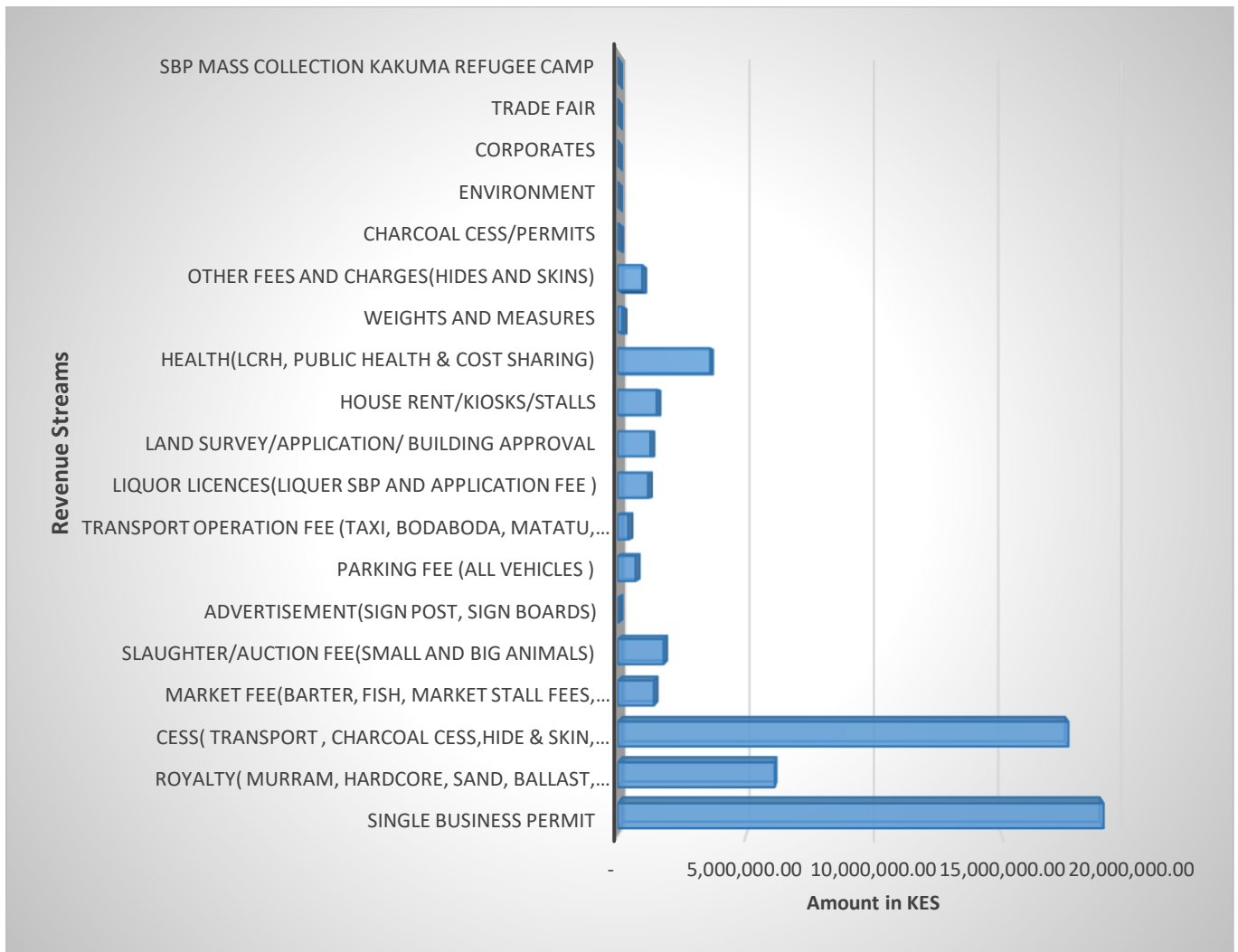
REVENUE STREAM	MINISTRY	APRIL	MAY	JUNE	QUARTER IV
SINGLE BUSINESS PERMIT	TRADE	5,190,000.00	5,814,100.00	8,001,500.00	19,005,600.00
ROYALTY(Murrum, hardcore sand, ballast, Exploitation)	LANDS	2,599,400.00	1,492,260.00	2,041,141.00	6,132,801.00
CESS(Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services & cess)	TRANSPORT	4,771,160.00	6,232,170.00	6,610,100.00	17,613,430.00
MARKET FEE(Barter, fish, market stall fees, offloading)	TRADE	325,595.00	325,250.00	764,260.00	1,415,105.00
SLAUGHTER/AUCTION FEE(Small and Big animals,Meat insp. fee)	PASTORAL	655,250.00	552,910.00	583,230.00	1,791,390.00
ADVERTISEMENT(Sign post, sign boards)	LANDS	-	3,740.00	11,800.00	15,540.00
PARKING FEE (all vehicles), exhauster fee	LANDS	233,400.00	243,860.00	222,410.00	699,670.00
TRANSPORT OPERATION FEE (Taxi, Bodaboda, Matatu, Canter, Lorry, and buses)	ROADS	205,500.00	144,920.00	63,420.00	413,840.00
LIQUOR LICENCES(Liquor SBP and Application Fee)	HEALTH	-	1,186,000.00	-	1,186,000.00
LAND SURVEY/APPLICATION/ BUILDING APPROVAL, school reg. fee, holding ground fee, Burrow pit fee, Toilet fee , Land transfer fee, Communication boosters	LANDS	592,000.00	686,800.00	4,000.00	1,282,800.00
HOUSE RENT/KIOSKS/STALLS	LANDS	105,000.00	38,000.00	1,380,500.00	1,523,500.00
HEALTH(Public health & cost sharing)	HEALTH	594,950.00	1,820,530.00	1,199,264.00	3,614,744.00
WEIGHTS AND MEASURES	TRADE	129,600.00	35,500.00	12,300.00	177,400.00
OTHER FEES AND CHARGES(Hides and Skins), tenders,	FINANCE	340,174.00	497,670.80	121,709.05	959,553.85
CHARCOAL CESS/PERMITS	TOURISM	-	-	44,000.00	44,000.00
ENVIRONMENT	ENVIRONMENT	-	-	-	-
CORPORATES		-	-	-	-
TRADE FAIR		-	-	-	-
SBP Mass collection Kakuma Refugee Camp	TRADE	-	-	-	-
TOTAL		15,742,029.00	19,073,710.80	21,059,634.05	55,875,373.85

Source: Directorate of Revenue

2.1.1 Revenue Collection Analysis by Stream

Figure 1 below is an illustration of Own Source Revenue collection from different streams; Single Business Permit leads in revenue collection with KES 19,005,600.00 followed by CESS(Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services & cess) at **KES 17,613,430.00** and ROYALTY(Murram, hardcore sand, ballast, Exploitation) at KES. 6,132,801.00. Streams with the least revenue collection were weights & measures at KES 177,400.00, Charcoal Cess/Permits KES 44,000 and Advertisement (Sign post, sign boards) at **KES. 15,540.00**. Environment, Trade Fair, Corporates and SBP Mass collection Kakuma Refugee Camp collected nil revenue.

Figure 1: Own Source Revenue collection per stream.



Source: Analysis by the Directorate of Budget

2.1.2 Own Source Revenue analysis by County Entities.

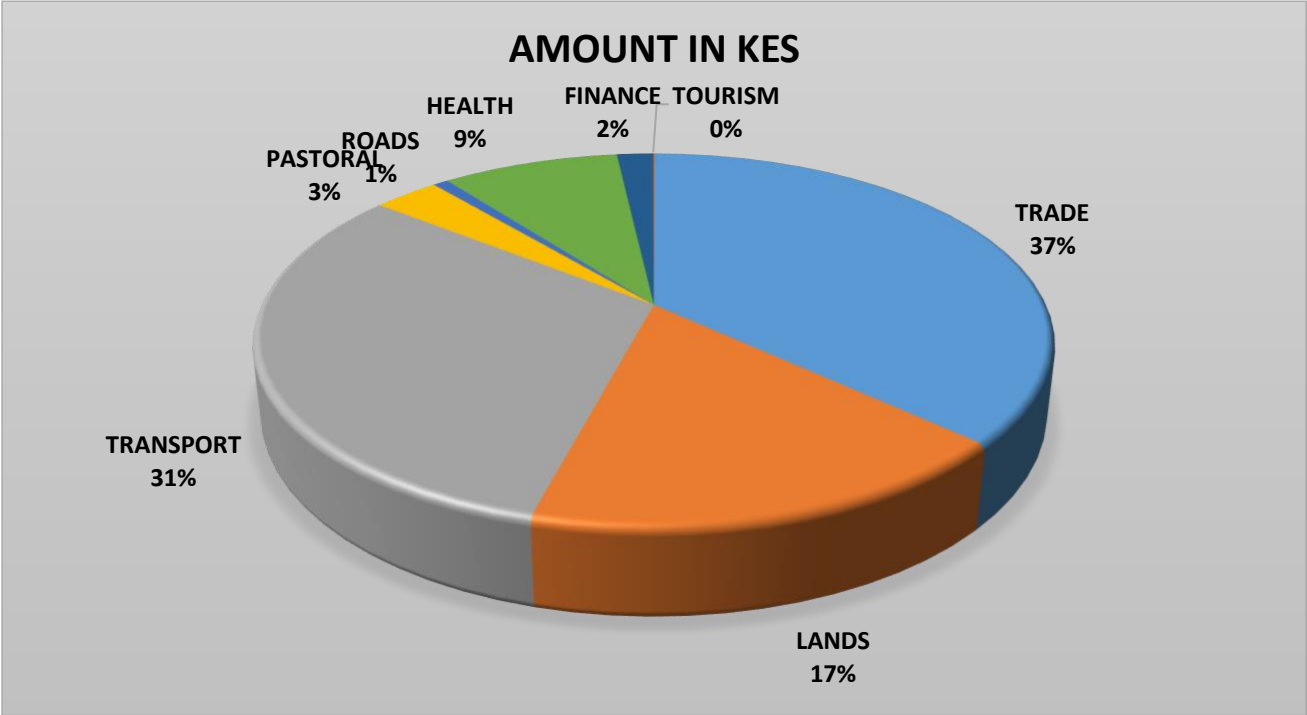
Summary of contributions by entities to Own Source Revenue is demonstrated by table 3 and Figure 3 below Departments of Trade, Gender and Youth Affairs with **KES 20,598,105** followed by Infrastructure, Transport and Public Works **KES 17,613,430**. The departments of Tourism, Culture and Natural Resources contributed least of revenue at **KES. 44,000**. Pie chart represents a proportion of county entities which contribute to OSR.

Table 3: Own Source Revenue collection by County Entities

ENTITIES	AMOUNT IN KES	PERCENTAGES
TRADE	20,598,105.00	37%
LANDS	9,654,311.00	17%
TRANSPORT		32%
PASTORAL	1,791,390.00	3%
ROADS	17,613,430.00	1%
HEALTH	4,800,744.00	9%
FINANCE	959,553.85	2%
TOURISM	44,000.00	0%
TOTAL	55,875,373.85	100%

Source: Directorate of Revenue

Figure 2: Proportion of OSR by County Department.

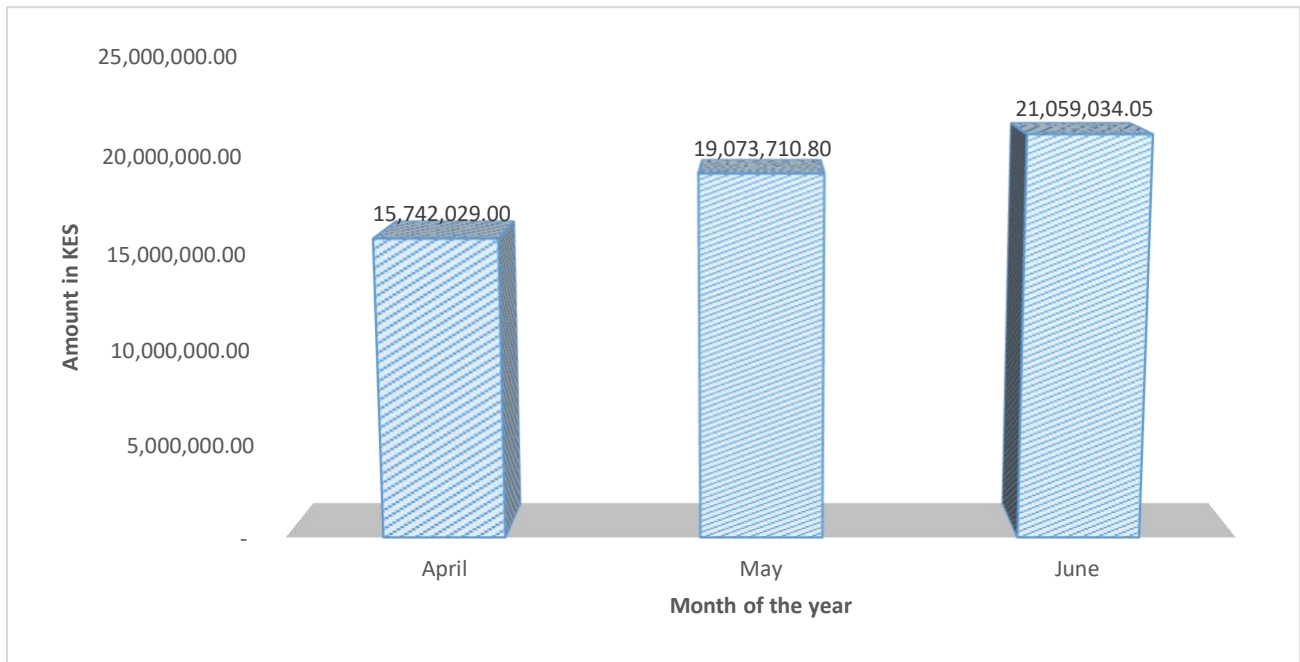


Source: Analysis by Directorate of Budget

2.1.3 Monthly Own Source Revenue Analysis.

A steady increase trend in monthly Own Source Revenue collection from April to June is revealed by the analysis in **Figure 3** below, June recorded highest collection at **KES 21,059,634.05** which can be attributed to high exchequer issues in the end of financial year and least in the month of April at **KES 15,742,029.**

Figure 3: Own Source Revenue Analysis.



Source: Analysis by Directorate of Budget.

2.1.4 OSR Performance per stream against Quarterly Target

Total Own Source Revenue collection for the quarter under review was **KES. 55,875,373.85** Against quarterly target of **KES. 37,500,000** superseding the target by **KES. 18,375,373.85** Which translates to a performance of **149%**. Single Business Permit performed best because of thriving business activities after ease of Corona Virus Disease 2019 by surpassing its quarterly target by **281%** followed closely by House Rent/Kiosks/Stalls with a performance of **261%**. The streams that performed least were Advertisement(Sign post, sign boards) with 7% and Environment, Corporates and Trade Fair and SBP Mass collection Kakuma Refugee Camp with zero performance because of Nil collection. **Table 4** shows the various streams' performance against their targets.

Table 4: Revenue Performance per Stream against Target

REVENUE STREAM	Quarter IV Actual Revenue	Quarterly Target	Variance	Performance (%)
SINGLE BUSINESS PERMIT	19,005,600.00	6,767,674.00	12,237,926.00	281%
ROYALTY(Murram, hardcore, sand, ballast, Exploitation,Burrow pit)	6,132,801.00	5,012,191.40	1,120,609.60	122%
CESS(Transport , Charcoal cess,Hide & skin, firewood, miraa cess)	17,613,430.00	7,403,560.00	10,209,870.00	238%
MARKET FEE(Barter, fish, market stall fees, offloading)	1,415,105.00	748,758.00	666,347.00	189%
SLAUGHTER/AUCTION FEE(Small and Big animals)	1,791,390.00	949,532.00	841,858.00	189%
ADVERTISEMENT(Sign post, sign boards)	15,540.00	212,352.00	-196,812.00	7%
PARKING FEE (all vehicles)	699,670.00	819,728.00	-120,058.00	85%
TRANSPORT OPERATION FEE (Taxi, Bodaboda, Matatu, Canter, Lorry, and buses)	413,840.00	1,191,188.00	-777,348.00	35%
LIQUOR LICENCES(Liquer SBP and Application Fee)	1,186,000.00	1,000,000.00	186,000.00	119%
LAND SURVEY/APPLICATION/ BUILDING APPROVAL	1,282,800.00	4,043,923.80	-2,761,123.80	32%
HOUSE RENT/KIOSKS/STALLS	1,523,500.00	580,590.00	942,910.00	262%
HEALTH(LCRH, Public health & cost sharing)	3,614,744.00	7,237,347.40	-3,622,603.40	50%
WEIGHTS AND MEASURES	177,400.00	350,950.00	-173,550.00	51%
OTHER FEES AND CHARGES(Hides and Skins)	959,553.85	1,182,205.40	-222,651.55	81%
CHARCOAL CESS/PERMITS	44,000.00		44,000.00	#DIV/0!
ENVIRONMENT	-			
CORPORATES	-			
TRADE FAIR	-			
SBP Mass collection Kakuma Refugee Camp	-			
TOTAL	55,875,373.85	37,500,000.00	18,375,373.85	149%

Source: Analysis by Directorate of Budget.

2.1.5 Own Source Revenue Collection by Ward

Lobokat Ward recorded the highest collection of **KES. 13,188,050** followed by Township ward with a collection of **KES. 11,367,305** while Kibish Ward collected the lowest revenue of **KES. 6,900**. At the Sub-County level, Turkana Central Sub County recorded the highest revenue of **KES 33,114,013.85** which can be attributed to high collection of revenue in Township and Kalokol wards, contributions from Department of Lands, performances of Lodwar County Referral Hospital, County Headquarters. Kibish Sub-County collected the lowest amount of revenue

Table 5: Own Source Revenue Collection by Ward

SUB-COUNTY	WARD	APRIL	MAY	JUNE	QUARTER IV
TURKANA WEST	Kakuma	861,100.00	1,198,070.00	924,610.00	2,983,780.00
	Kalobeyei	110,450.00	327,730.00	202,450.00	640,630.00
	Songot	6,400.00	-	4,400.00	10,800.00
	Lopur	65,100.00	59,330.00	48,300.00	172,730.00
	Letea	8,200.00	-	-	8,200.00
	Nanam	6,400.00	-	21,200.00	27,600.00
	Lokichoggio	432,560.00	684,010.00	721,360.00	1,837,930.00
	SBP Mass collection Kakuma Refugee Camp	-	-	-	-
	SUB TOTAL	1,490,210.00	2,269,140.00	1,922,320.00	5,681,670.00
TURKANA NORTH	Nakalale	270,050.00	300,700.00	296,150.00	866,900.00
	Kaeris	10,300.00	13,300.00	11,960.00	35,560.00
	Kaleng/Kaikor	2,500.00	8,200.00	55,400.00	66,100.00
	Lake Zone	91,900.00	126,500.00	102,900.00	321,300.00
	Lapur	11,040.00	54,260.00	45,660.00	110,960.00
	SUB TOTAL	385,790.00	502,960.00	512,070.00	1,400,820.00
LOIMA	Lobei/Kotaruk	7,300.00	3,700.00	1,200.00	12,200.00
	Turkwel	100,700.00	14,900.00	72,910.00	188,510.00
	Loima	28,680.00	16,860.00	50,100.00	95,640.00
	Lokiriama/Lorengipi	111,560.00	84,620.00	103,350.00	299,530.00
	SUB TOTAL	248,240.00	120,080.00	227,560.00	595,880.00
TURKANA CENTRAL	Kalokol	1,630,900.00	1,459,900.00	1,242,650.00	4,333,450.00
	Kangatoha	132,500.00	152,300.00	170,250.00	455,050.00
	Township	4,072,325.00	3,965,510.00	3,329,470.00	11,367,305.00
	Kanamkemer	2,056,350.00	1,509,060.00	858,771.00	4,424,181.00

SUB-COUNTY	WARD	APRIL	MAY	JUNE	QUARTER IV
	Kerio	-	30,560.00	21,830.00	52,390.00
	LCRH	560,150.00	1,743,480.00	985,784.00	3,289,414.00
	Headquarters	340,014.00	1,806,800.80	4,263,109.05	6,409,923.85
	Lands	592,000.00	666,800.00	1,209,500.00	2,468,300.00
	Housing	105,000.00	38,000.00	171,000.00	314,000.00
	SUB TOTAL	9,489,239.00	11,372,410.80	12,252,364.05	33,114,013.85
TURKANA EAST	Lokori/Kochodin	121,520.00	34,140.00	88,570.00	244,230.00
	Kapedo/Napeitom	500.00	7,020.00	8,700.00	16,220.00
	Katilia	8,050.00	6,700.00	2,930.00	17,680.00
	SUB TOTAL	130,070.00	47,860.00	100,200.00	278,130.00
TURKANA SOUTH	Lokichar	412,550.00	340,000.00	538,450.00	1,291,000.00
	Lobokat	3,509,600.00	4,373,050.00	5,305,400.00	13,188,050.00
	Katilu	32,710.00	15,110.00	3,540.00	51,360.00
	Kaputir	29,520.00	19,400.00	150,460.00	199,380.00
	Kalapata	11,400.00	9,500.00	47,270.00	68,170.00
	SUB TOTAL	3,995,780.00	4,757,060.00	6,045,120.00	14,797,960.00
KIBISH	Kibish	2,700.00	4,200.00	-	6,900.00
	GRAND TOTAL	15,742,029.00	19,073,710.80	21,059,634.05	55,875,373.85

2.1.7 Comparative Quarterly Revenue Performance

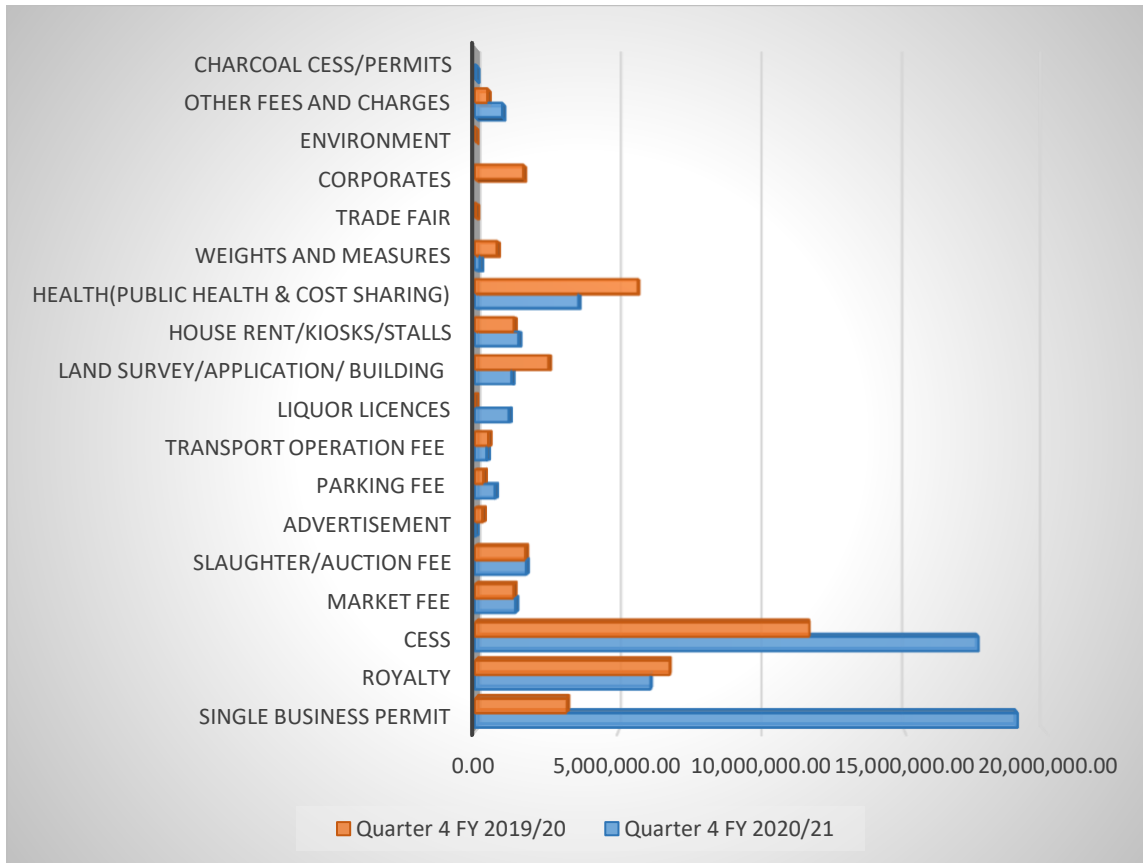
A comparative analysis of streams performance reveals a mixed performance of revenue of same quarter in FY 2019/20 with most streams recording positive and negative variations as presented in Table 7 and Figure 4 below. Compared to last financial year SBP has recorded higher percentage change of 491.29% followed by Parking Fee at 129.82%. The worst changes are noted in Trade Fair, Environment and Corporates at -100% which is brought by nil collection. The analysis gives a positive deviation of **KES 17,456,525.85** in this quarter under review, which translates to 45.44% performance.

Table 7: Revenue Collected by Stream Compared to same period in FY 2019/20.

Revenue Stream	Quarter 4 FY 2020/21	Quarter 4 FY 2019/20	Variance	Percentage Change
SINGLE BUSINESS PERMIT	19,005,600.00	3,214,250	15,791,350.00	491.29%
ROYALTY	6,132,801.00	6,797,655	-664,854.00	-9.78%
CESS	17,613,430.00	11,673,929	5,939,501.00	50.88%
MARKET FEE	1,415,105.00	1,355,240	59,865.00	4.42%
SLAUGHTER/AUCTION FEE	1,791,390.00	1,762,680	28,710.00	1.63%
ADVERTISEMENT	15,540.00	269,000	-253,460.00	-94.22%
PARKING FEE	699,670.00	304,440	395,230.00	129.82%
TRANSPORT OPERATION FEE	413,840.00	471,390	-57,550.00	-12.21%
LIQUOR LICENCES	1186000	-	#VALUE!	#VALUE!
LAND SURVEY/APPLICATION/ BUILDING	1,282,800.00	2,574,500	-1,291,700.00	-50.17%
HOUSE RENT/KIOSKS/STALLS	1,523,500.00	1,361,500	162,000.00	11.90%
HEALTH(Public health & cost sharing)	3,614,744.00	5,687,611	-2,072,867.00	-36.45%
WEIGHTS AND MEASURES	177,400.00	768,946	-591,546.00	-76.93%
TRADE FAIR		35900	-35,900.00	-100.00%
CORPORATES		1693698	-1,693,698.00	-100.00%
ENVIRONMENT		5000	-5,000.00	-100.00%
OTHER FEES AND CHARGES	959,553.85	443,109	516,444.85	116.55%
CHARCOAL CESS/PERMITS	44,000.00			
TOTAL	55,875,373.85	38,418,848.00	17,456,525.85	45.44%

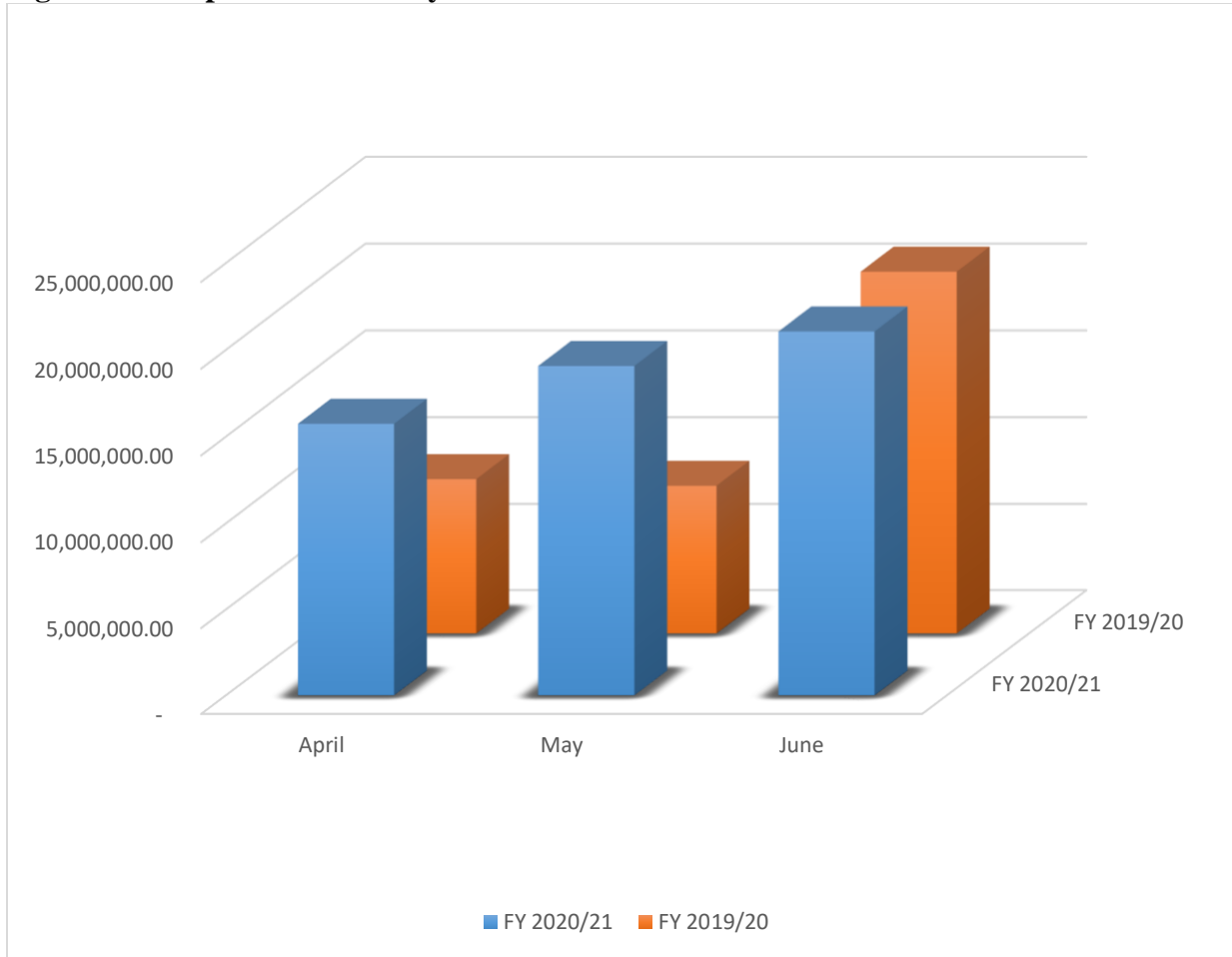
Source: Analysis by Directorate of Budget

Figure 4: Comparative Quarterly Revenue Stream Performance



Source: Analysis by Directorate of Budget

Figure 5: Comparative Monthly OSR Collection FY 2019/20 & 2020/21



Source: Analysis by Directorate of Budget

Figure 5 above shows monthly comparison of two financial years; April and May of FY 20/21 depict dominance of revenue over FY 19/20 of the same month. June FY 19/20 indicates high collection of compared to same month of FY 20/21. Overallly in this period under review there is high monthly collection of revenue compared to last financial year of the same period. Hence giving adequacy of **KES 17,456,525.85** of revenue collected in this quarter of FY 2020/2021 compared to the same period in the FY2019/2020.

3.0 EXPENDITURE PERFORMANCE

3.1 Expenditure (Recurrent & Development) Analysis

Quarter four Executive expenditure for FY 2020/21 amounted to **KES 5,210,083,640.15** with Public Service, Administration & Disaster Management spending the most amount of **KES 1,714,976,377.10** and Lodwar Municipality had the least spending of **KES 14,469,484.15**. It is also notable that Health & Sanitation Services spent the highest in Development expenditure while some votes including Office of the Deputy Governor, Public Service, Administration & Disaster Management, County Attorney and County Public Service Board had nil Development Expenditure. The quarter under review Recurrent expenditure amounted to **KES 3,809,075,351.25** with Public Service, Administration. & Disaster Management spending the highest followed by Finance and Economic Planning.

Table 10 below shows quarter four summary of development, recurrent and the total expenditure by vote.

Table 10: Quarter 4 Turkana County Expenditure Summary

Vote	Revised Budget Estimates	Quarter IV Dev Expenditure(1)	Quarter IV Rec Expenditure(2)	Q 4 Expenditure (3) {1 + 2}
Governance	599,651,566.00	32,937,104.60	209,446,523.05	242,383,627.65
Office of the Deputy Governor	57,064,091.00		19,788,727.75	19,788,727.75
County Attorney	138,975,448.00		61,169,086.10	61,169,086.10
Finance and Economic Planning	1,183,277,480.00	128,565,751.60	657,209,681.60	785,775,433.20
Water Services, Environment and Mineral Resources	855,597,564.00	121,547,140.00	131,077,349.00	252,624,489.00
Health & Sanitation Services	1,474,330,804.00	332,579,939.60	211,208,582.00	543,788,521.60
Trade, Gender and Youth Affairs	441,785,179.00	81,641,597.20	101,322,128.10	182,963,725.30
Education, Sports and Social Protection	1,248,671,029.00	289,234,390.60	117,998,416.85	407,232,807.45
Public Service, Administration. & Disaster Management	4,552,479,251.00		1,714,976,377.10	1,714,976,377.10
Infrastructure Transport & Public Works	724,705,305.00	84,162,892.95	38,493,768.55	122,656,661.50
Agriculture, Pastoral Economy & Fisheries	1,362,699,060.00	168,775,339.10	122,952,903.10	291,728,242.20
Tourism, Culture and Natural Resources	323,077,130.00	34,628,939.70	46,047,719.00	80,676,658.70
Lands, Energy, Housing & Urban Areas Mgt.	659,229,265.00	111,123,170.55	70,730,386.90	181,853,557.45
County Assembly	1,224,991,707.00	15,812,023.00		255,543,032.00

Vote	Revised Budget Estimates	Quarter IV Dev Expenditure(1)	Quarter IV Rec Expenditure(2)	Q 4 Expenditure (3) {1 + 2}
	00		239,731,009.00	
County Public Service Board	117,643,402.00		52,453,209.00	52,453,209.00
Lodwar Municipality	68,579,003.00		14,469,484.15	14,469,484.15
TOTAL	15,032,757,284.00	1,401,008,288.90	3,809,075,351.25	5,210,083,640.15

Source: Directorate of Accounting Services.

3.2 Actual Expenditure against target Expenditure.

The county entities had an overall absorption rate of **139%**. All entities spending was above their respective quarterly target with an exception of Infrastructure Transport & Public Works, Agriculture, Pastoral Economy & Fisheries, Lodwar Municipality and the County assembly which had an absorption rate of **68%**, **86%**, **84%** and **90%** respectively. Regardless, all the entities absorption rate was above average. Finance and Economic planning had a notable absorption rate of **266%** against its quarterly target probably because of the carried forward expenditures from the previous quarters.

Table 11 below illustrates the quarter 4 expenditure performance of the county entities against their respective quarterly targets.

Table 11: Expenditure analysis against Quarterly Target

Department	Quarter 4 Expenditure	Quarter 4 Target	Absorption Rate
Governance	242,383,627.65	149,912,891.50	162%
Office of the Deputy Governor	19,788,727.75	14,266,022.75	139%
County Attorney	61,169,086.10	34,743,862.00	176%
Finance and Economic Planning	785,775,433.20	295,819,370.00	266%
Water Services, Environment and Mineral Resources	252,624,489.00	213,899,391.00	118%
Health & Sanitation Services	543,788,521.60	368,582,701.00	148%
Trade, Gender and Youth Affairs	182,963,725.30	110,446,294.75	166%
Education, Sports and Social Protection	407,232,807.45	312,167,757.25	130%
Public Service, Administration. & Disaster Management	1,714,976,377.10	1,138,119,812.75	151%
Infrastructure Transport & Public Works	122,656,661.50	181,176,326.25	68%
Agriculture, Pastoral Economy & Fisheries	291,728,242.20	340,674,765.00	86%
Tourism, Culture and Natural Resources	80,676,658.70	80,769,282.50	100%
Lands, Energy, Housing & Urban Areas Mgt.	181,853,557.45	164,807,316.25	110%

Department	Quarter 4 Expenditure	Quarter 4 Target	Absorption Rate
County Assembly	255,543,032	284,194,870.50	90%
County Public Service Board	52,453,209.00	29,410,850.50	178%
Lodwar Municipality	14,469,484.15	17,144,750.75	84%
TOTAL	5,210,083,640.15	3,736,136,264.75	139%

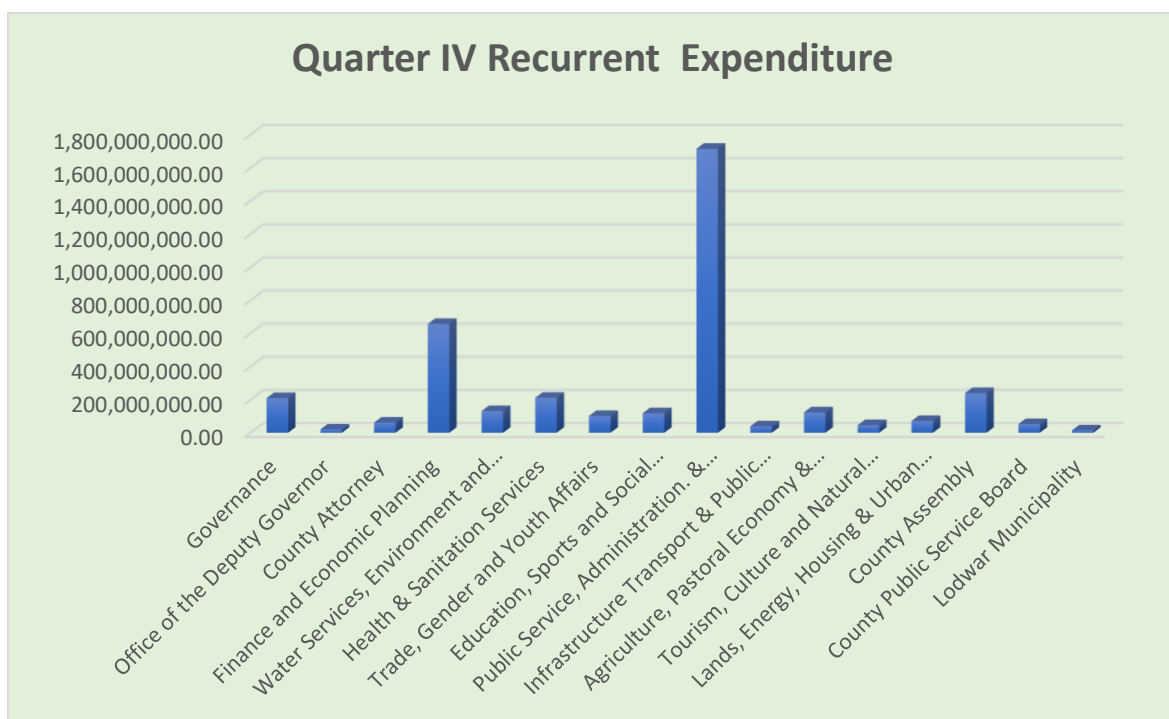
Source: Directorate of Budget Analysis

3.2.2 Recurrent Expenditure by Entity

In the quarter under review, Public Service, Administration. & Disaster Management recorded the highest recurrent expenditure of **KES 1,714,976,377.10** followed by Finance and Economic Planning and County Assembly with a spending of **KES 657,209,681.60** and **KES 239,731,009.00** respectively. Office of the Deputy Governor and Lodwar Municipality spent the least, each having **KES 19,788,727.75** and **KES 14,469,484.15** in that order.

See Figure 7 below

Figure 7: Recurrent Expenditure Performance by Entity



Source: Budget Directorate Analysis.

Development Expenditure by Entity

The overall development expenditure recorded by the county was **KES 1,401,008,288.90**. Health & Sanitation Services registered the highest percentage of expenditure of **24%** followed by Education, Sports and Social Protection which spent **21%** of the total development overall amount. The County Assembly had the least percentage of development spending of **1%** while some entities including Office of the Deputy Governor, County Attorney, Public Service, Administration. & Disaster Management, County Public Service Board and Lodwar Municipality had nil development expenditure.

This is illustrated in **Table 12** below.

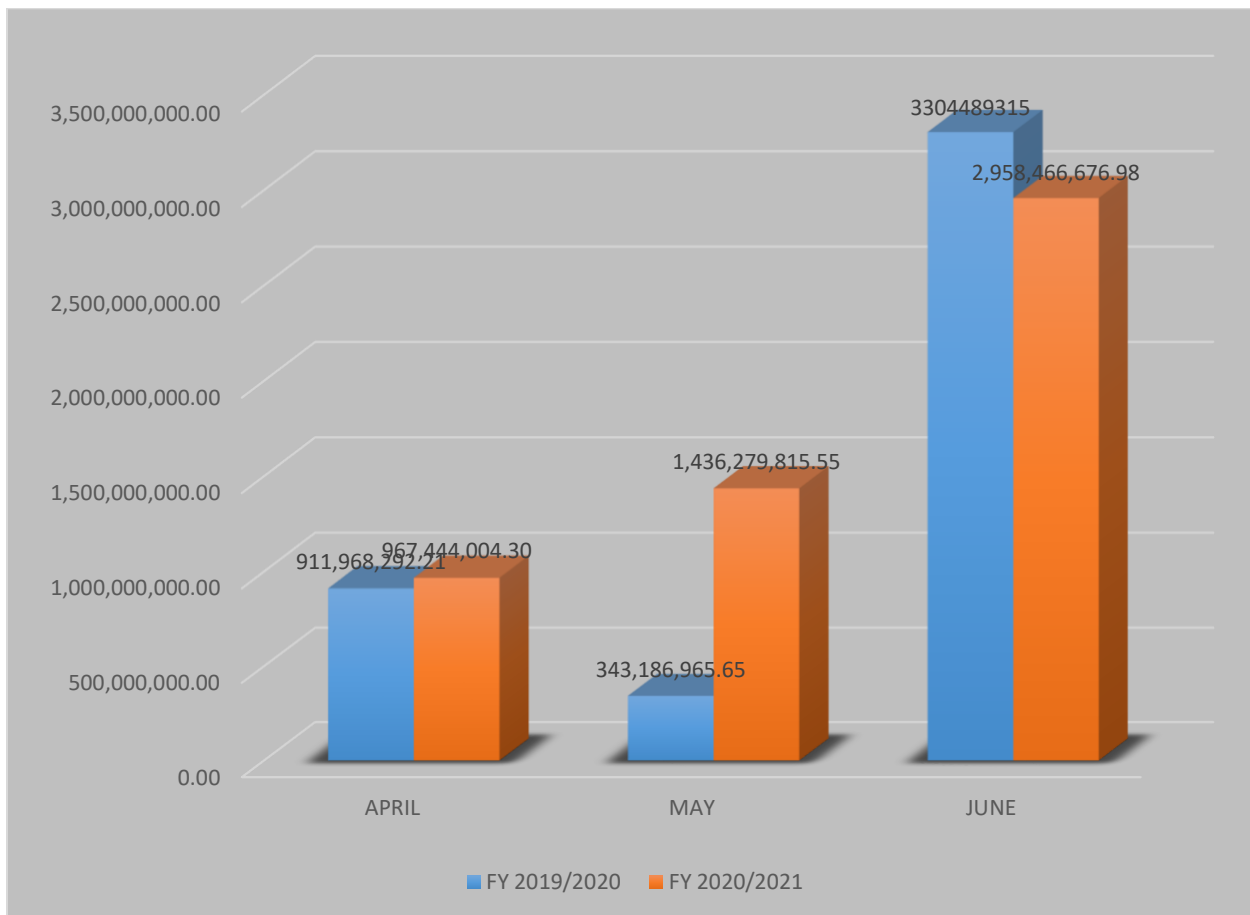
Table 12: Development Expenditure Performance by Entity

County Entity	Quarter IV Development Expenditure	percentage
Governance	32,937,104.60	2%
Office of the Deputy Governor		0%
County Attorney		0%
Finance and Economic Planning	128,565,751.60	9%
Water Services, Environment and Mineral Resources	121,547,140.00	9%
Health & Sanitation Services	332,579,939.60	24%
Trade, Gender and Youth Affairs	81,641,597.20	6%
Education, Sports and Social Protection	289,234,390.60	21%
Public Service, Administration. & Disaster Management		0%
Infrastructure Transport & Public Works	84,162,892.95	6%
Agriculture, Pastoral Economy & Fisheries	168,775,339.10	12%
Tourism, Culture and Natural Resources	34,628,939.70	2%
Lands, Energy, Housing & Urban Areas Mgt.	111,123,170.55	8%
County Assembly	15,812,023	1%
County Public Service Board		0%
Lodwar Municipality		0%
TOTAL	1,401,008,288.90	100%

3.2.4 Quarter 4 Comparative Expenditure Performance for FY 2019/20 and FY 2020/21

In a comparative analysis of quarter 4 monthly expenditures for both FY 2019/20 and FY 2020/21, the expenditure in FY 2020/21 is seen to be constantly increasing from April to June compared to the previous year which varied. The expenditure in May had approximately quadrupled in the current year compared to the previous year. The highest expenditure in both years, was recorded in June, the end of the quarter. This could be because there is a high tendency of exchequer release on June. A figurative analysis is shown below

Figure 8: Monthly Expenditure FY 2019/20 Quarter 4 vis-a-vis to FY 2020/21



Source: Analysis by the Directorate of Budget

4.0 KEY FINDINGS

4.1.0 Revenue

4.1.1 County Revenue Fund (CRF) Releases

- i. A total of **KES 5,600,291,481.50** was released from County Revenue Fund (CRF) to various county entities accounts for spending.

4.1.2 Own Source Revenue

- i. Single Business Permit leads in revenue collection with KES 19,005,600.00 followed by CESS (Transport ,Hide & skin, Fish cess, charcoal cess, firewood, miraa cess, Handicraft cess, exhauster services & cess) at **KES 17,613,430.00** and ROYALTY (Murrum, hardcore sand, ballast, Exploitation) at **KES. 6,132,801.00**.
- ii. Streams with the least revenue collection were weights & measures at KES 177,400.00, Charcoal Cess/Permits KES 44,000 and Advertisement (Sign post, sign boards) at **KES. 15,540.00**. Environment, Trade Fair, Corporates and SBP Mass collection Kakuma Refugee Camp collected nil revenue.
- iii. Departments of Trade, Gender and Youth Affairs with **KES 20,598,105** followed by Infrastructure, Transport and Public Works **KES 17,613,430**.
- iv. The departments of Tourism, Culture and Natural Resources contributed least of revenue at **KES. 44,000**.
- v. June recorded highest collection at **KES 21,059,634.05** which can be attributed to high exchequer issues in the end of financial year and least in the month of April at **KES 15,742,029**.
- vi. Total Own Source Revenue collection for the quarter under review was **KES. 55,875,373.85** Against quarterly target of **KES. 37,500,000** superseding the target by **KES. 18,375,373.85** Which translates to a performance of **149%**.
- vii. Single Business Permit performed best because of thriving business activities after ease of Corona Virus Disease 2019 constrictions by surpassing its quarterly target by **281%** followed closely by House Rent/Kiosks/Stalls with a performance of **261%**.
- viii. The streams that performed least were Advertisement(Sign post, sign boards) with 7% and Environment, Corporates and Trade Fair and SBP Mass collection Kakuma Refugee Camp with zero performance because of Nil collection.

- ix. Lobokat Ward recorded the highest collection of **KES. 13,188,050** followed by Township ward with a collection of **KES. 11,367,305** while Kibish Ward collected the lowest revenue of **KES. 6,900**.
- x. Compared to last financial year SBP has recorded higher percentage change of 491.29% followed by Parking Fee at 129.82%. The worst changes are noted in Trade Fair, Environment and Corporates at -100% which is brought by nil collection. The analysis gives a positive deviation of **KES 17,456,525.85** in this quarter under review, which translates to 45.44% performance.
- xi. In this period under review there is high monthly collection of revenue compared to last financial year of the same period. Hence giving adequacy of **KES 17,456,525.85** of revenue collected in this quarter of FY 2020/2021 compared to the same period in the FY2019/2020
- xii. Sub-County level, Turkana Central Sub County recorded the highest revenue of **KES 33,114,013.85** which can be attributed to high collection of revenue in Township and Kalokol wards, contributions from Department of Lands, performances of Lodwar County Referral Hospital, County Headquarters. Kibish Sub-County collected the lowest amount of revenue

4.2 Expenditure

- i. Quarter four Executive expenditure for FY 2020/21 amounted to **KES 5,210,083,640.15** with Public Service, Administration & Disaster Management spending the most amount of **KES 1,714,976,377.10** and Lodwar Municipality had the least spending of **KES 14,469,484.15**. It is also notable that Health & Sanitation Services spent the highest in Development expenditure
- ii. The county entities had an overall absorption rate of **139%**. All entities spending was above their respective quarterly target with an exception of Infrastructure Transport & Public Works, Agriculture, Pastoral Economy & Fisheries, County Assembly and Lodwar Municipality. Finance and Economic planning had a notable absorption rate of **266%** against its quarterly target.
- iii. In the quarter under review, Public Service, Administration. & Disaster Management recorded the highest recurrent expenditure of **KES 1,714,976,377.10**. Office of the Deputy Governor and Lodwar Municipality spent the least, each having **KES 19,788,727.75** and **KES 14,469,484.15** in that order.
- iv. The overall development expenditure recorded by the county was **KES 1,401,008,288.90**. Health & Sanitation Services registered the highest percentage of development expenditure of **24%**
- v. The expenditure in FY 2020/2021 is seen to be constantly increasing from April to June.

5.0 RECOMMENDATIONS

- i. Directorate of resource mobilization needs to help in mobilizing resource to supplement the deficit caused by shortfall in OSR.
- ii. The revenue department should consider their ward revenue targets to reflect the annual target of **KES 150,000,000.00**.
- iii. Directorate of Revenue needs to addressing Nil Collection in some streams identified by analyses above.
- iv. Need to create awareness and campaigns in order to maximize the performance of both high and the performing streams.
- v. A high outcome on projects is to be audited and expected from the entities to explain the high absorption rate of above 100%
- vi. Exchequer release should be realized in the previous quarters and months to avoid accumulation of expenditure on the month of June

