



COUNTY GOVERNMENT OF BUSIA
P.O. BOX PRIVATE BAG-50400
BUSIA, KENYA
COUNTY TREASURY



REF: CG/BSA/FIN/CECM/VOL.10/137



22ND OCTOBER, 2026

TO THE CLERK TO THE COUNTY ASSEMBLY
COUNTY ASSEMBLY OF BUSIA

THRO'

COUNTY SECRETARY
BUSIA COUNTY



forwarded CS

Dear Sir

RE: COUNTY BUDGET REVIEW AND OUTLOOK PAPER, 2026

Reference is made to above subject matter,

I hereby forward to you the County Budget Review and Outlook Paper as approved by the County Executive Committee. This is in accordance with section 118 of the Public Finance Management Act, 2012.

Thank you.

ANDREW MWAKIRA NAKITARI
COUNTY EXECUTIVE COMMITTEE MEMBER
COUNTY TREASURY AND ECONOMIC PLANNING

CC: H.E THE GOVERNOR
: THE DEPUTY GOVERNOR
: THE CONTROLLER OF BUDGET
: THE COMMISSION ON REVENUE ALLOCATION



REPUBLIC OF KENYA
COUNTY GOVERNMENT OF BUSIA
OFFICE OF THE COUNTY SECRETARY AND HEAD
OF THE COUNTY PUBLIC SERVICE
P.O. PRIVATE BAG – 50400
BUSIA, KENYA



INTERNAL MEMO

FROM: THE COUNTY SECRETARY
TO: THE CHIEF OFFICERS, COUNTY TREASURY AND ECONOMIC PLANNING
DATE: October 22, 2026
SUBJECT: EXECUTION OF THE RESOLUTION OF THE COUNTY EXECUTIVE COMMITTEE

Enclosed herewith please find an extract of the Minutes of the 51st County Executive Committee Meeting held on the 22nd October, 2026, constituting the Resolution for implementation by your department.

Kindly take necessary steps to implement the Resolutions of the CEC noting to provide regular updates to the Office of the County Secretary.

With Kind Regards,

CS. John Oscar Juma
County Secretary & Head of Public Service,
COUNTY GOVERNMENT OF BUSIA

Copy:

- H.E. The Governor
- The CECM- County Treasury and Economic Planning

EXTRACT OF COUNTY EXECUTIVE COMMITTEE (CEC) RESOLUTION

Extract from Minutes of the 51st County Executive Committee Meeting of the County Government of Busia duly convened and held on October 22, 2026, at which a proper quorum was present: -

Minute 4(c)/22/10/2026: Cabinet Memo on The Busia County Budget Review and Outlook Paper (CBROP) for the Financial year 2027/2028.

The Memorandum was presented to the County Executive Committee by Hon. Andrew Nakitari, the CECM for the County Treasury and Economic Planning.

Hon Nakitari took Members through the objectives and the background to the Memorandum as required by the provisions of PFM Act, 2012, before delving into the contents of the CBROP chapter by chapter, highlighting the provisions of the same.

The CECM then gave an analysis of the expenditure over the past years, an analysis of the County development context, the proposed major priorities for the 2027/28 FY, the proposed key sector interventions, resource requirements, financing gap and the proposed key interventions for bridging the same.

The CEC deliberated on the contents of the Memorandum and raised various concerns that required to be taken into account by way of correction and/ or revision of the document. Accordingly, the CEC resolved to approve the same, with various amendments.

The proposal for approval of the CBROP was made by the Honorable Arthur Odera (DG), and seconded by the Honorable Douglas Okiring’.

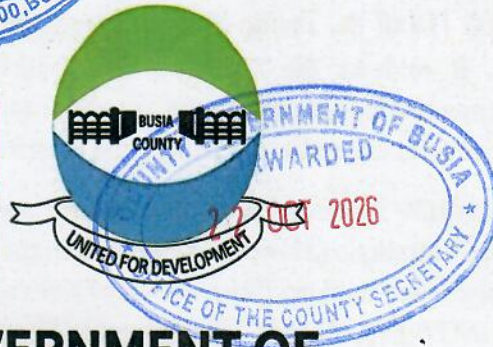


Signed:

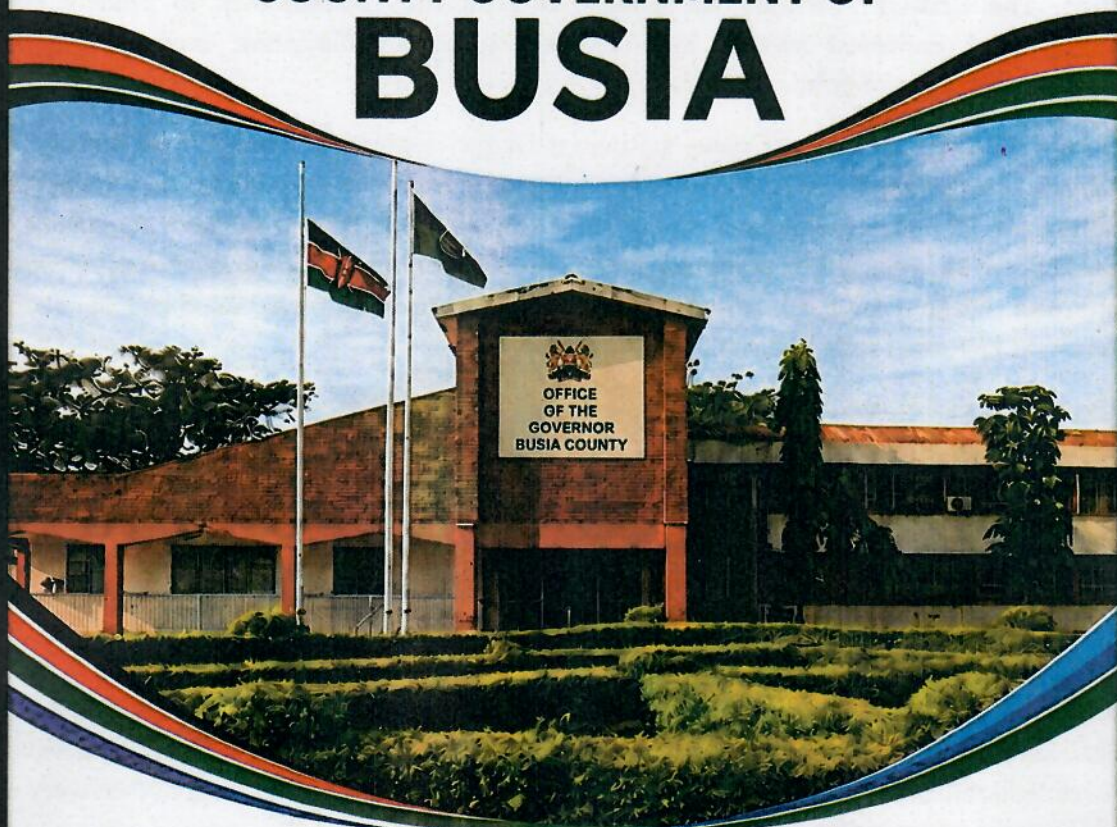
Date:

October 22, 2026

CS. John Oscar Juma,
County Secretary & Head of Public Service,
COUNTY GOVERNMENT OF BUSIA.



COUNTY GOVERNMENT OF **BUSIA**



COUNTY BUDGET REVIEW AND OUTLOOK PAPER FOR FINANCIAL YEAR 2025/2026

DEPARTMENT OF COUNTY TREASURY &
ECONOMIC PLANNING



VISION

A transformative and progressive county for
sustainable and equitable development.

SEPTEMBER 2026



PREFACE

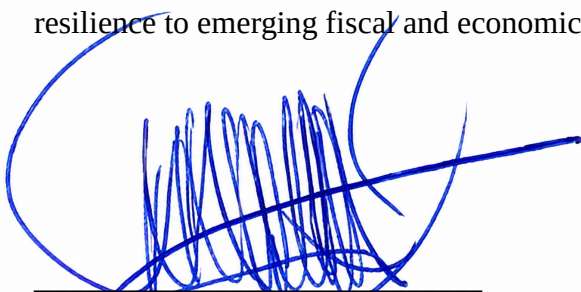
The 2026 County Budget Review and Outlook Paper (CBROP) has been prepared pursuant to Section 118 of the Public Finance Management (PFM) Act, 2012 and the PFM Regulations, 2015. It reviews the County's fiscal performance for FY 2025/2026, assesses budget implementation, presents the medium-term fiscal outlook, and provides indicative departmental expenditure ceilings and priorities for FY 2027/2028 and the medium term.

The CBROP assesses fiscal performance against the fiscal responsibility principles and the County's strategic priorities as outlined in the CIDP 2023–2027, ADP 2025 and CFSP 2026. It is also aligned with the Constitution of Kenya, 2010, Kenya Vision 2030, Fourth Medium Term Plan (MTP IV), Bottom-Up Economic Transformation Agenda (BETA), and the PFM Act, 2012. The CBROP reaffirms the County Government's commitment to prudent fiscal management, enhanced revenue mobilization, expenditure discipline, accountability and efficient allocation of public resources.

During FY 2025/2026, the County's Revised Budget Estimates amounted to **Kshs.11.159 billion**, comprising **Kshs.7.358 billion (65.9%)** for recurrent expenditure and **Kshs.3.801 billion (34.1%)** for development expenditure. The allocation reflects the need to balance the financing of essential public services with investments in infrastructure and other development priorities. The indicative ceilings and expenditure priorities for FY 2027/2028 and the medium term will be further refined through the CFSP 2027.

The County Government remains committed to prudent management of public resources, fiscal responsibility, improved revenue performance, efficient service delivery and enhanced value for money, with the ultimate objective of improving the welfare of the people of Busia County and promoting inclusive, resilient and sustainable socio-economic development.

I therefore call upon all stakeholders, including County departments, the County Assembly, development partners, the private sector, civil society and the citizens of Busia County, to actively participate in and support the formulation and implementation of the FY 2027/2028 budget and medium-term plans. The CBROP 2026 provides a sound basis for informed fiscal decision-making and reaffirms the County Government's resolve to strengthen fiscal discipline, revenue mobilization, prudent expenditure management, effective public service delivery and resilience to emerging fiscal and economic risks.



Hon. ANDREW MWAKIRA NAKITARI
County Executive Committee Member
County Treasury and Economic Planning

ACKNOWLEDGEMENT

The 2026 County Budget Review and Outlook Paper (CBROP) has been prepared in accordance with Section 118 of the Public Finance Management (PFM) Act, 2012, and the applicable PFM Regulations. Its successful preparation was made possible through the collective commitment, guidance and support of various stakeholders. I wish to express my sincere appreciation to His Excellency the Governor, the Deputy Governor, the County Secretary, County Executive Committee Members, Chief Officers, and all officers of the County Government of Busia for their invaluable contributions towards the preparation of this important fiscal policy document.

As the institution entrusted with the responsibility of overseeing the County's public financial management framework, the County Treasury is mandated to ensure the timely preparation and submission of the CBROP. I particularly acknowledge the County Executive Committee Member for County Treasury and Economic Planning for the strategic direction, technical guidance and leadership provided throughout the preparation and finalization of the Paper.

The preparation of the CBROP 2026 was a collaborative undertaking involving County departments and entities, which provided essential data, analysis and technical inputs that significantly enriched the document. Special appreciation goes to the technical teams within the Directorates of Budget, Accounting Services and Economic Planning for their professionalism, diligence and commitment to ensuring the integrity and quality of the information presented.

I wish to specifically commend CPA Evans Wangata, Director of Budget, and CPA Jesse Mangeni, Deputy Director of Budget, for their exemplary leadership, coordination and dedication in steering the CBROP preparation process. I also acknowledge, with appreciation, the valuable contributions of Mr. William Chepkwony, Mr. Amos Imooh Owana, Ms. Maureen Ochieng, Ms. Beverly Anyokorit, Ms. Marlene Ajiambo, CPA Kevin Omondi, CPA Chrispinus Oroni, Ms. Mercy Minayo, Ms. Sherry Okuku, Mr. Tiberius Muganda, Ms. Verah Ingutia, CPA Emily Chemusto, and all departmental budget officers whose commitment and technical input contributed to the successful compilation of the Paper.

Finally, I urge all County stakeholders to make effective use of the information and analysis contained in the CBROP 2026 to strengthen fiscal discipline, transparency, accountability and prudent resource management throughout the budget planning, implementation and oversight processes. The collective application of these principles will contribute significantly to improved public service delivery and the attainment of the County's development priorities.



Ahmed Adan Hefow
Chief Officer
County Treasury and Economic Planning

EXECUTIVE SUMMARY

The County Government's fiscal performance over the FY 2023/2024–2025/2026 period reflects a gradual expansion of the overall budget, which increased from **Kshs.10.203 billion** to **Kshs.11.159 billion**. Actual revenue receipts, however, remained below the approved budget, recording **Kshs.9.196 billion**, **Kshs.9.901 billion** and **Kshs.9.895 billion**, respectively. Equitable Share demonstrated a positive and consistent growth trajectory, increasing from **Kshs.6.878 billion** in FY 2023/2024 to **Kshs.7.957 billion** in FY 2025/2026. Further, Local Own Source Revenue (OSR) excluding AIA was **Kshs.203.94 million** in FY 2025/2026, highlighting the need to strengthen local revenue mobilization and collection efficiency.

Appropriation-in-Aid recorded significant improvement, rising from **Kshs.136.14 million** to **Kshs.497.02 million** over the period, while Loans and Grants increased from **Kshs.533.45 million** to **Kshs.728.47 million**. Total expenditure stood at **Kshs.8.63 billion (84.58%)**, **Kshs.8.79 billion (81.68%)**, and **Kshs.8.53 billion (76.40%)** for FY 23/24, FY 24/25 and FY 25/26 respectively. The declining absorption rate points to the need for enhanced budget execution, improved expenditure planning, timely procurement, effective project implementation, and stronger monitoring of departmental performance.

Looking ahead to FY 2027/2028, the global economy is projected to grow by **3.4 percent**, while Kenya's economy is expected to grow by **4.7–5.0 percent**. An average economic growth assumption of **5.0 percent** has been adopted to guide the County's revenue and expenditure projections. This has been coupled with the **ADP** projections.

On this basis, the FY 2027/2028 expenditure framework provides projected ceilings of **Kshs.4.753 billion for Employee Compensation**, **Kshs.2.411 billion for Operations and Maintenance**, and **Kshs.3.105 billion for Development Expenditure**. The expenditure framework prioritizes fiscal sustainability, continuity of essential public services, improved operational efficiency, and accelerated implementation of development programmes and projects. Overall, the FY 2027/2028 projections seek to align available resources with the County's strategic priorities while strengthening revenue mobilization, expenditure control, budget absorption and value for money.

TABLE OF CONTENTS

PREFACE	i
ACKNOWLEDGEMENT	ii
EXECUTIVE SUMMARY	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	v
LIST OF CHARTS.....	vi
LIST OF GRAPHS	vi
ABBREVIATION AND ACRONYMS	vii
Legal Basis for the Publication of the County Budget Review and Outlook Paper.....	ix
Fiscal Responsibility Principles under the Public Finance Management Law	x
I. INTRODUCTION.....	1
Legal Framework.....	3
II. REVIEW OF FISCAL PERFORMANCE FOR FY 2025/2026	4
Overview	4
Fiscal Performance of the County	4
County Revenue Performance.....	4
County Expenditure Performance	10
Analysis of Expenditures Per Department.....	18
1. Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness.....	18
2. Trade, Investment, Industry and Cooperatives.....	27
3. Education and Industrial Skills Development	31
4. The County Treasury and Economic Planning.....	36
5. Youths, Sports, Culture, Gender, Creative Arts and Social Services	39
6. Transport, Roads and Public Works	45
7. Public Service Management and Administration	49
8. Lands, Housing and Urban Development	52
9. Water, Environment, Irrigation, Natural Resources, Climate Change and Energy.	56
10. Health Services and Sanitation	60
11. County Public Service Board.....	68
12. County Law Office.....	71
13. Strategic Partnerships, ICT and Digital Economy	74
14. The Governorship	79
15. The County Assembly.....	83
Implication of FY 2025/2026 Fiscal Performance on Financial Objectives.....	85

Adherence to fiscal responsibility principles.....	88
III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK.....	89
A. World Economic Outlook	89
B. Kenya's Economic Performance	90
C. Busia County Economic Outlook and Policies	91
D. Medium-Term Fiscal Framework	92
E. Risks To The County Economic Outlook	94
IV. RESOURCE ALLOCATION FRAMEWORK.....	96
A. Adjustment to the FY 2026/2027 Budget	96
B. Medium-Term Expenditure Framework	96
C. Proposed Revenue Projections.....	98
D. Proposed Departmental Ceilings	100
V. CONCLUSION AND NEXT STEPS.....	106
ANNEX I: BUDGET CALENDER FOR FY 2027/2028 AND MEDIUM TERM.....	109

LIST OF TABLES

Table 1: Resource Envelope- Actuals against Budgeted Amount for FY 2025/2026.....	5
Table 2: County Own Source Revenue per Stream	6
Table 3: Summary of the Total County Allocation and Absorption.....	11
Table 4: Expenditure Performance by economic classification per vote	14
Table 5: Expenditure on performance at the Programme levels.	16
Table 6: Medium-Term Agricultural Sector Risks and Proposed Mitigation Measures	25
Table 7: Absorption Analysis- Smart Agriculture.	26
Table 8: Absorption Analysis– Trade.....	30
Table 9: Absorption Analysis– Education.....	35
Table 10: Absorption Analysis– County Treasury and Economic Planning.....	38
Table 11: Absorption Analysis– Sports	44
Table 12: Absorption Analysis- Transport, Roads and Public works.....	48
Table 13: Absorption analysis – Public Service and Administration.	51
Table 14: Absorption Analysis– Lands	55
Table 15: Absorption Analysis– Water.....	59
Table 16: Absorption Analysis– Health	67
Table 17: Absorption Analysis– County Public Service Board	70
Table 18: Absorption Analysis– County Law Office	73
Table 19: Absorption Analysis– Strategic Partnership.....	78
Table 20: Absorption Analysis– The Governorship.....	82
Table 21: Absorption Analysis - County Assembly	84
Table 22: CBROP FY 2025/2026 Deviation from the CFSP FY 2025/2026.....	85
Table 23: Proposed Revenue Projections.....	98

Table 24: Departmental Proposed Ceilings FY 2027/2028 and the Medium Term	101
---	-----

LIST OF CHARTS

Chart 1: Analysis of Total Allocation.....	12
--	----

LIST OF GRAPHS

Graph 1: Graphical presentation of County Budget Allocation Against Absorption	13
Graph 2: Graphical Presentation of Budget Allocation per Vote Against Absorption	15
Graph 3: Absorption Analysis- Smart Agriculture.....	27
Graph 4: Absorption Analysis– Trade.....	31
Graph 5: Absorption Analysis– Education.....	35
Graph 6: Absorption Analysis– County Treasury and Economic Planning	38
Graph 7: Absorption Analysis– Sports.....	45
Graph 8: Absorption Analysis- Transport, Roads and Public works.....	48
Graph 9: Absorption analysis – Public Service and Administration.	52
Graph 10: Absorption Analysis– Lands	55
Graph 11: Absorption Analysis– Water.....	59
Graph 12: Absorption Analysis– Health	68
Graph 13: Absorption Analysis– County Public Service Board	71
Graph 14: Absorption Analysis– County Law Office	73
Graph 15: Absorption Analysis– Strategic Partnership.....	79
Graph 16: Absorption Analysis– The Governorship	83
Graph 17: Absorption Analysis - County Assembly	85

ABBREVIATION AND ACRONYMS

Acronym	Full Name
ABDP	Aquaculture Business Development Project
ADP	Annual Development Plan
AIA / A-i-A	Appropriation in Aid
AICCAD	African Institute for Capacity and Community Development
AMREF	African Medical and Research Foundation
ASDSP	Agriculture Sector Development Support Programme
BCRH	Busia County Referral Hospital
BETA	Bottom-Up Economic Transformation Agenda
CBA	Competency-Based Assessment
CBK	Central Bank of Kenya
CBROP	County Budget Review and Outlook Paper
CBE	Competency-Based Education
CBEF	County Budget and Economic Forum
CCIS	County Climate Institutional Support
CCRI	County Climate Resilience Investment
CECM	County Executive Committee Member
CEDC	Centre for Economic Development and Consultancy
CFSP	County Fiscal Strategy Paper
CHAI	Clinton Health Access Initiative
CIDP	County Integrated Development Plan
CILOR	Contributions in Lieu of Rates
CPHRA	County Primary Health Care Reimbursement Account
CPSB	County Public Service Board
DANIDA	Danish International Development Agency
DMSP	Debt Management Strategy Paper
ECDE	Early Childhood Development Education
EIDU	Education Information and Data Unit
FAO	Food and Agriculture Organization
FLLoCA	Financing Locally-Led Climate Action
FPO	Farmer Producer Organization
GDP	Gross Domestic Product
GIS	Geographic Information System
HMIS	Health Management Information System
HRH	Human Resources for Health
HRM	Human Resource Management
IDA	International Development Association
IFAS	Iron and Folic Acid Supplementation
IMF	International Monetary Fund
KABDP	Kenya Agricultural Business Development Project
KDSP	Kenya Devolution Support Programme
KEMRI	Kenya Medical Research Institute
KEFRI	Kenya Forestry Research Institute

KeLCoP	Kenya Livestock Commercialization Project
KHIS	Kenya Health Information System
KICOSCA	Kenya Inter-County Sports and Cultural Association
KMFRI	Kenya Marine and Fisheries Research Institute
KNBTS	Kenya National Blood Transfusion Service
KNBS	Kenya National Bureau of Statistics
KPLC	Kenya Power and Lighting Company
KUSP	Kenya Urban Support Programme
KWS	Kenya Wildlife Service
LAN	Local Area Network
M&E	Monitoring and Evaluation
MCA	Member of County Assembly
MIYCN	Maternal, Infant and Young Child Nutrition
MHM	Menstrual Hygiene Management
MOH	Ministry of Health
MPC	Monetary Policy Committee
MPLS	Multiprotocol Label Switching
MTEF	Medium-Term Expenditure Framework
MTP	Medium-Term Plan
NAVCDP	National Agricultural Value Chain Development Project
NCPWD	National Council for Persons with Disabilities
NGCDF	National Government Constituencies Development Fund
NITA	National Industrial Training Authority
PFM	Public Finance Management
PLWDs	Persons Living with Disabilities
QAS	Quality Assurance and Standards
REREC	Rural Electrification and Renewable Energy Corporation
RRI	Rapid Response Initiative
SDG	Sustainable Development Goal
SHA	Social Health Authority
SHIF	Social Health Insurance Fund
SME	Small and Medium Enterprises
SRC	Salaries and Remuneration Commission
TB	Tuberculosis
UHC	Universal Health Coverage
UNCDF	United Nations Capital Development Fund
UNICEF	United Nations Children's Fund
UN-SDG	United Nations Sustainable Development Goals
USAID	United States Agency for International Development
USSD	Unstructured Supplementary Service Data
VTC	Vocational Training Centre
WASH	Water, Sanitation and Hygiene
WEO	World Economic Outlook
WHO	World Health Organization

Legal Basis for the Publication of the County Budget Review and Outlook Paper

The preparation and publication of the County Budget Review and Outlook Paper (CBROP) is anchored in Section 118 of the Public Finance Management (PFM) Act, 2012, which provides the legal framework governing its preparation, submission, consideration and approval.

In accordance with the Act, the County Treasury is required to prepare and submit the CBROP to the County Executive Committee on or before 30th September of each year for consideration and approval. The Paper serves as an important instrument for reviewing the County's fiscal performance and updating its economic and financial outlook. In particular, the CBROP is required to provide:

- An assessment of the actual fiscal performance of the preceding financial year against the approved budget, thereby providing a clear basis for evaluating the extent to which the County achieved its planned revenue and expenditure targets.
- Updated economic and financial forecasts, including an indication of any significant changes from the projections contained in the most recent County Fiscal Strategy Paper (CFSP).
- An analysis of the implications of the County's fiscal performance on compliance with the fiscal responsibility principles and the financial objectives set out in the CFSP.
- An explanation of any deviations from the stated financial objectives, together with proposed corrective measures and an indication of the estimated timeframe within which such measures are expected to be implemented.

Upon submission, the County Executive Committee is required to consider the CBROP within fourteen (14) days, with a view to approving it either with or without amendments.

Accordingly, the CBROP is not merely a periodic financial report, but a critical component of the County Government's budget cycle. It provides an opportunity to assess past fiscal performance, identify emerging economic and financial challenges, review the sustainability of the County's fiscal position, and inform subsequent budget formulation and resource allocation decisions, while ensuring adherence to the requirements of the PFM Act, 2012.

Fiscal Responsibility Principles under the Public Finance Management Law

The management of public finances at the county level is guided by the principles of prudence, transparency, accountability and fiscal sustainability, as anchored in the Constitution of Kenya and given effect through the Public Finance Management (PFM) Act, 2012. In particular, Section 107 of the PFM Act sets out the fiscal responsibility principles that County Governments are required to observe in the management and utilisation of public resources. The Government shall observe the following principles:

1. Recurrent expenditure and revenue: The County Government's recurrent expenditure shall not exceed its total revenue.
2. Allocation to development expenditure: Over the medium term, at least thirty percent (30%) of the County Government's budget shall be allocated to development expenditure, thereby ensuring sustained investment in infrastructure and other development priorities.
3. Wages and benefits: The County Government's expenditure on wages and benefits for public officers shall not exceed the percentage of total revenue prescribed by regulations issued by the County Executive Committee Member for Finance and approved by the County Assembly.
4. Purpose of borrowing: Over the medium term, the County Government's borrowings shall be used exclusively to finance development expenditure and shall not be applied to recurrent expenditure.
5. Sustainable debt levels: The County's debt levels shall be maintained at a sustainable level, as approved by the County Assembly, in order to safeguard the County's long-term fiscal stability.
6. Management of fiscal risks: Fiscal risks shall be identified, assessed and managed prudently to minimise their potential impact on the County's financial position and service delivery.
7. Predictability of taxation: A reasonable degree of predictability of tax rates and tax bases shall be maintained, while taking into account any tax reforms that may be undertaken in the future.

Collectively, these principles provide the foundation for responsible fiscal management. Their effective application is therefore essential to safeguarding public resources and ensuring that budgetary decisions remain consistent with the County's development objectives and the broader requirements of fiscal responsibility under the PFM Act, 201

I. INTRODUCTION

Objectives of the County Budget Review and Outlook Paper (CBROP) 2026

The County Budget Review and Outlook Paper (CBROP) 2026 is a key instrument within the County Government's fiscal policy, planning and budget management framework. It provides an opportunity to review the County's fiscal performance, assess progress against approved financial objectives, identify emerging challenges, and inform the preparation of subsequent budgets within the Medium-Term Expenditure Framework (MTEF).

In this regard, the CBROP 2026 seeks to achieve the following objectives:

a) Review of Fiscal Performance: To provide a comprehensive assessment of the County Government's actual fiscal performance during the Financial Year 2025/2026, measured against the approved budget and appropriations for the same financial year. The review provides a basis for identifying areas of strong performance, resource constraints, expenditure pressures and significant variances requiring attention.

b) Strengthening the Policy, Planning and Budgeting Linkage: To strengthen the linkage between policy formulation, development planning and budgeting by ensuring that the County's resource allocation decisions are aligned with its development priorities. The CBROP 2026 links departmental priorities to the County Integrated Development Plan (CIDP) 2023–2027, while taking into account the County Government's strategic priorities and emerging challenges affecting the implementation of devolved governance and service delivery.

c) Compliance with the Public Finance Management Act, 2012: To facilitate compliance with the requirements and principles of the Public Finance Management (PFM) Act, 2012, particularly by promoting prudent utilization of public resources. The CBROP provides a basis for evidence-based and rational decision-making in the allocation of available resources. Accordingly, the Paper sets out the proposed/indicative departmental expenditure ceilings, informed by the overall resource envelope. These indicative ceilings provide the initial framework for commencing the budget preparation process for the Financial Year 2027/2028 and the Medium-Term Expenditure Framework (MTEF).

d) Economic and Financial Forecasts: To provide updated economic and financial forecasts for the County, including an assessment of changes in the economic and fiscal environment since the preparation of the County Fiscal Strategy Paper (CFSP) 2026. The forecasts are intended to provide an updated basis for determining the County's resource position and guiding medium-term budgetary decisions.

e) Assessment of Fiscal Responsibility: To assess and highlight any variations between the County Government's actual fiscal performance and the forecasts, financial objectives and fiscal targets set out in the CFSP 2026. The assessment examines the implications of such variations on the County Government's compliance with the fiscal responsibility principles provided for under the PFM Act, 2012.

f) Corrective Measures and Timeframes: To provide clear explanations for any significant deviations from the financial objectives and fiscal targets established in the CFSP 2026, and to propose appropriate corrective measures for addressing identified variances. The Paper will, where applicable, indicate the estimated timeframe for implementing the proposed corrective measures to enhance fiscal discipline, strengthen budget implementation and improve the overall financial performance of the County Government.

Overall, the CBROP 2026 provides a critical link between the review of the County Government's past fiscal performance and the formulation of future budgets. It therefore serves as an important reference for strengthening fiscal discipline, improving resource allocation, enhancing accountability and ensuring that the County's medium-term priorities remain aligned with available resources and the requirements of the Constitution of Kenya, 2010 and the PFM Act, 2012.

Legal Framework

The County Budget Review and Outlook Paper (CBROP) 2026 is prepared within the legal and institutional framework established by the Constitution of Kenya, 2010 and the Public Finance Management (PFM) Act, 2012. These legal instruments provide the foundation for sound fiscal management, accountability, transparency and effective utilization of public resources at the county level.

Article 201 of the Constitution of Kenya, 2010 sets out the principles and framework governing public finance. Among other requirements, it provides for openness and accountability, including public participation in financial matters; equitable sharing of national revenue between the national and county levels of government; promotion of an equitable society; and the prudent and responsible use of public money.

Further, Article 220(2) provides for the content of county government plans and budgets and requires them to contain, among other matters, estimates of revenue and expenditure, proposals for financing any anticipated deficit, and explanations of the basis on which the estimates have been prepared.

In giving effect to these constitutional provisions, Section 118 of the Public Finance Management Act, 2012 requires every county government to prepare and submit a County Budget Review and Outlook Paper (CBROP) to the County Executive Committee (CEC) by 30th September of each year.

Upon submission of the CBROP, the PFM Act provides that:

1. The County Executive Committee (CEC) shall, within fourteen (14) days, consider the CBROP with a view to approving it, with or without amendments.
2. Not later than seven (7) days after the CBROP has been approved by the County Executive Committee, the County Treasury shall:
 - a) Arrange for the Paper to be laid before the County Assembly; and
 - b) Publish and publicize the Paper as soon as practicable thereafter.

The foregoing legal provisions establish the statutory framework governing the preparation, submission, consideration, approval, tabling, publication and public dissemination of the CBROP. They also ensure that the review of the County Government's fiscal performance and the formulation of subsequent budgets are undertaken within a framework that promotes transparency, accountability, fiscal responsibility, public participation and prudent management of public resources.

II. REVIEW OF FISCAL PERFORMANCE FOR FY 2025/2026

Overview

During the Financial Year 2025/2026, the County Government of Busia had a total budget of **Kshs.11.16 billion**, representing an increase of **3.62%** from the **Kshs.10.77 billion** budget for the Financial Year 2024/2025.

The County Government recorded an actual expenditure of **Kshs.8.53 billion** during the year, translating into an overall budget absorption rate of **76.40%**. This represents a decline from the **81.68% absorption rate** achieved in the Financial Year 2024/2025.

The decline in the absorption rate indicates a relatively lower level of budget execution during FY 2025/2026 compared with the preceding financial year, despite the increase in the overall approved budget. The government shall strengthen budget implementation, enhance expenditure planning and improve the timely availability and utilization of resources to ensure that approved programmes and projects are effectively implemented.

Fiscal Performance of the County

County Revenue Performance

During the Financial Year 2025/2026, the County Government of Busia projected to receive **Kshs.7.957 billion** from the National Government as Equitable Share, **Kshs.1.102 billion** in conditional grants, together with a **balance brought forward of Kshs.1.101 billion** from the Financial Year 2024/2025. In addition, the County Government projected to raise **Kshs.999.761 million** from Own Source Revenue (OSR).

During the period under review, the County recorded total receipts amounting to **Kshs.9.895 billion**, equivalent to **88.67 per cent of the approved budget**. The receipts comprised of **Kshs.203.907 million** as Own Source Revenue from other sources and **Kshs.497.023 million** as Appropriation in Aid (A-i-A), **Kshs.7.957 billion** as Equitable Share, **Kshs.728.472 million** as conditional grants and balances brought forward FY 24/25 of **Kshs. 509.372 million**.

The revenue performance reflected a significant reliance on transfers from the National Government, with the Equitable Share constituting the largest component of the County's total receipts. The relatively low contribution from Own Source Revenue, compared with the projected target, underscored the need to strengthen revenue mobilization, broaden the local

revenue base, enhance compliance, and improve revenue administration and collection mechanisms.

Actual Receipts

The Actual Receipts for the Financial Year 2025/2026 were as follows:

Table 1: Resource Envelope- Actuals against Budgeted Amount for FY 2025/2026

Revenue Sources	Revised Revenue Estimates	Actual Receipts	2nd Revised Revenue Estimates	Actual Receipts	Over/(Under) Performance	% Receipt
	FY 2024-2025	FY 2024-2025	FY 2025-2026	FY 2025-2026	FY 2025-2026	FY 2025-2026
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	[%]
Own Source Revenue	697,006,996	239,483,550	554,697,942	203,907,247	(350,790,695)	36.76%
Appropriation in Aid	229,705,635	267,185,147	445,062,668	497,022,726	51,960,058	111.67%
National Government:						
Equitable Share.	7,514,935,582	7,514,935,582	7,956,564,058	7,956,564,058	-	100.00%
Other Grants	977,628,778	298,939,201	1,101,725,837	728,472,124	(373,253,713)	66.12%
IDA(World Bank) Credit National Agricultural Value Chain Development Project(NAVCDP)	250,000,000	84,575,472	231,250,000	231,055,487	(194,513)	99.92%
Busia County Aggregated Industrial Park	250,000,000	133,368,421	-	-	-	-
DANIDA	9,690,000	9,262,500	13,537,500	9,690,000	(3,847,500)	71.58%
Agriculture Sector Development Support Programme II (ASDSP II)	-	-	-	-	-	-
Aquaculture Business Development Project (ABDP)	22,585,560	-	13,447,401	-	-	-
Compensation for user fees foregone	-	-	-	-	-	-
Affordable Housing Programme	-	-	1,987,622	1,987,622	-	100.00%
Kenya Livestock Commercialization Project (KeLCoP)	33,550,000	33,423,508	60,550,000	49,607,689	(10,942,311)	81.93%
County Equalization Fund	17,919,656	-	17,919,656	-	-	0.00%
Kenya Agricultural Business Development Project (KABDP)	10,918,919	-	-	-	-	-
Road Maintenance Fuel Levy	-	-	-	-	-	-
nutrition international	6,000,000	6,000,000	-	-	-	-
IDA (World Bank) Credit Financing Locally-Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant	217,000,100	-	196,948,217	135,836,021	(61,112,196)	68.97%
IDA (World Bank) Second Kenya Devolution Support Program- Institutional Grant (Level 1 Grant)(KDSP II)	37,500,000	-	72,909,500	70,503,589	(2,405,911)	96.70%
IDA (World Bank) Second Kenya Devolution Support Program- Service Delivery & Investment grant (Level 2 Grant) (KDSP)	-	-	352,500,000	118,205,111	(234,294,889)	33.53%
Financing Locally-Led Climate Action Program(FLLoCA)-County Climate Institutional support (CCIS)	11,000,000	-	-	-	-	-
Kenya Urban Support Program-(KUSP) Urban Institutional Grant	35,000,000	32,309,300	28,400,000	26,000,000	(2,400,000)	91.55%
Kenya Urban Support Program-(KUSP)- Urban Development Grant	76,464,543	-	112,275,941	85,586,605	(26,689,336)	76.23%
Total Balance Brought Forward FY 2024/2025	1,580,577,382	1,580,577,382	1,101,427,966	509,371,640	(592,056,327)	46.25%
Received balances brought forward			509,371,640	509,371,640	-	100.00%
Receivable balances			592,056,327	-	(592,056,327)	0.00%
Grand Total Revenue	10,770,148,738	9,901,120,862	11,159,478,472	9,895,337,795	(1,264,140,677)	88.67%

Source: Busia County Treasury, 2026

Own Source Revenue Performance and Measures to Improve Revenue Collection

The County projected to raise **Kshs.999.76 million** as local revenue during the Financial Year 2025/2026. This comprised of **Kshs.445.063 million** as Appropriation in Aid (A-i-A) and **Kshs.554.698 million** as other Local Revenue Sources.

Table 2: County Own Source Revenue per Stream

Revenue Sources	Revised Budget Estimates	Actual Receipts	Revised Budget Estimates	Actual Receipts	Over or (Under) Performance	Performance
	FY 2024-2025	FY 2024-2025	FY2025-2026	FY 2025-2026	FY 2025-2026	FY 2025-2026
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	(%)
Administrative Services	3,373,535	4,140,750	12,104,805	3,409,021	(8,695,784)	28.2%
Fire Safety	2,720,080	3,336,200	11,004,805	2,675,700	(8,329,105)	24.3%
Payroll Products				611,821	611,821	
Impounding/Clamp. Fees	653,455	804,550	1,100,000	121,500	(978,500)	11.0%
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness	115,350,778	60,542,974	126,327,240	47,602,538	(78,724,702)	37.7%
Sugar Cane Cess	20,359,000	20,231,103	35,000,000	17,002,456	(17,997,544)	48.6%
Transit Produce Cess	30,674,240	24,812,145	50,174,240	20,993,700	(29,180,540)	41.8%
Tobacco Cess	999,182	1,701,980	3,500,000	2,094,278	(1,405,722)	59.8%
Fish Cess	1,005,147	714,430	2,200,000	708,320	(1,491,680)	32.2%
Tractor Hire Services	50,000,000	4,494,295	10,000,000	674,200	(9,325,800)	6.7%
Agriculture Training College	1,038,241	1,426,080	4,500,000	1,155,056	(3,344,944)	25.7%
Veterinary Services	2,427,800	3,269,575	5,782,200	1,943,430	(3,838,770)	33.6%
Stock Sale	3,993,209	3,022,430	5,400,000	1,402,460	(3,997,540)	26.0%
Fish Traders License	130,020	177,400	730,000	4,500	(725,500)	0.6%
Fish Movement Permit	120,450	109,350	625,000	705,678	80,678	112.9%
Livestock movement permit	217,800		217,800		(217,800)	0.0%
Vaccination	605,000		-			
Artificial Insemination	84,700		-			
Slaughter premise licenses	505,615		1,000,000	479,850	(520,150)	48.0%
Meat Carrier License	72,600		-			
Meat inspection fees(Bovine, pigs, sheep and goats)	2,057,000		-			
Reg. Of Boats License	34,540	155,050	200,000	-	(200,000)	0.0%
Fisherman's License	84,700	175,700	285,000	-	(285,000)	0.0%
Fish Import Permit	41,404	126,836	500,000	298,610	(201,390)	59.7%
Wakhungu Fish Farm	110,000	-	6,000,000	-	(6,000,000)	0.0%
Cage Licensing	112,530	119,600	213,000	-	(213,000)	0.0%
Fingerling Sale	-	7,000	-	140,000	140,000	
Certificate of Transport	508,200		-		-	
Automation for licenses for Agro-dealers	169,400		-		-	
Youth, Sports, Culture, Gender, Creative Arts and Social Services	311,600	242,070	700,000	139,400	(560,600)	19.9%
Hire Of Hall / Office	61,600	47,910	200,000	37,000	(163,000)	18.5%
Hire of Busia County Stadium	-		-		-	
Registration/ Renewal of SHGs, CBOs, Women groups and Youth groups	200,000	194,160	500,000	102,400	(397,600)	20.5%
Community Cultural Centres	50,000	-	-	-	-	
Lands, Housing And Urban Development	107,062,756	37,299,158	154,885,495	31,480,659	(123,404,836)	20.3%
Plot Rent	1,989,286	2,975,341	2,842,369	1,246,470	(1,595,899)	43.9%
Plot Rent Arrears	913,022	-	2,500,000	347,604	(2,152,396)	13.9%
Cilor(Contributions in lieu of rates) Arrears	10,000,000		9,708,510		(9,708,510)	0.0%
Cilor	7,200,000	544,500	7,200,000	33,200	(7,166,800)	0.5%
Rent/Gov Houses	4,963,022	1,868,737	6,000,000	1,885,945	(4,114,055)	31.4%
Land Rates	30,456,078	6,396,829	11,000,000	4,227,043	(6,772,957)	38.4%

Revenue Sources	Revised Budget Estimates	Actual Receipts	Revised Budget Estimates	Actual Receipts	Over or (Under) Performance	Performance
	FY 2024-2025	FY 2024-2025	FY2025-2026	FY 2025-2026	FY 2025-2026	FY 2025-2026
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	(%)
Land Rates (Arrears)	28,250,182	354,727	68,227,438	1,459,120	(66,768,318)	2.1%
application Of Plans	3,000,000	68,000	5,565,000	14,300	(5,550,700)	0.3%
Building Plans approval	5,420,378	2,390,500	7,500,000	2,437,800	(5,062,200)	32.5%
Solid Waste advertisement	-	-	-	-	-	-
advertisment	13,770,788	22,700,524	34,292,178	19,829,177	(14,463,001)	57.8%
Animal Control and Welfare	1,100,000	-	50,000	-	(50,000)	0.0%
Transport, Roads and Public Works	43,084,226	27,796,430	54,510,654	20,824,992	(33,685,662)	38.2%
Trailer Parking Fees	5,715,438	3,090,620	6,245,864	2,670,800	(3,575,064)	42.8%
Reserved Parking	3,449,996	6,211,250	10,252,436	6,001,591	(4,250,845)	58.5%
Bus Parking Fees	33,700,992	18,464,560	31,960,104	12,105,601	(19,854,503)	37.9%
Machine Hire	217,800	30,000	6,052,250	47,000	(6,005,250)	0.8%
Water, Environment, Irrigation, Natural Resources and Climate Change	12,459,151	8,994,318	21,874,201	4,511,573	(17,362,628)	20.6%
Solid Waste	2,888,017	3,424,000	4,000,000	1,728,800	(2,271,200)	43.2%
Sand Cess	1,336,335	3,032,180	7,000,000	1,480,400	(5,519,600)	21.1%
Busia Hills Water Supply	524,625	598,904	1,024,625	606,686	(417,939)	59.2%
Busijo Water Supply	234,185	177,405	534,185	32,730	(501,455)	6.1%
Alema Water Supply	95,077	-	195,077	-	(195,077)	0.0%
Munana Water Supply	668,726	158,715	1,368,726	2,500	(1,366,226)	0.2%
Butula Water Supply	734,428	658,740	1,234,428	228,947	(1,005,481)	18.5%
Port Victoria Water Supply	1,598,969	744,374	2,298,969	88,910	(2,210,059)	3.9%
Drilling Rig	3,776,605	-	2,776,605	-	(2,776,605)	0.0%
Noise	394,020	200,000	733,422	342,600	(390,822)	46.7%
Water Bowser	208,164	-	708,164	-	(708,164)	0.0%
Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SME)	119,950,893	100,101,550	184,295,548	93,654,664	(90,640,884)	50.8%
Liquor License	5,488,300	1,500,000	12,000,000	-	(12,000,000)	0.0%
Single Business Permit	83,488,130	74,130,520	121,400,662	82,474,874	(38,925,788)	67.9%
Market Stall / Kiosk	823,251	813,975	4,000,000	477,470	(3,522,530)	11.9%
Charcoal Fees	937,804	-	-	-	-	-
Markets Fees	28,747,659	12,529,940	30,846,279	10,372,100	(20,474,179)	33.6%
Weights & Measures	330,000	38,000	5,300,000	296,000	(5,004,000)	5.6%
Co-Operatives Audit Fees	48,983	66,080	2,400,000	24,220	(2,375,780)	1.0%
Other Miscellaneous	86,766	11,023,035	8,348,607	10,000	(8,338,607)	0.1%
Total Revenue Local Source	401,592,939	239,117,250	554,697,943	201,622,847	(353,075,096)	36.3%
Appropriation in Aid					-	
Health Services and Sanitation	295,414,061	267,551,447	445,062,668	2,284,400	(442,778,268)	0.5%
Mortuary Fees(Facilities)	7,242,328	5,148,650	9,191,818	-	(9,191,818)	0.0%
Slaughter Fees	548,391	366,300	-	-	-	-
Public Health services	4,500,000	5,763,800	5,270,639	2,284,400	(2,986,239)	43.3%
Hospital User Fees-(Facilities)	173,943,374	112,230,901	152,241,675	-	(152,241,675)	0.0%
SHA(Facilities)	109,179,968	144,041,796	278,358,536	-	(278,358,536)	0.0%
					-	
Busia County Referral Hospital	113,820,124	102,696,128	136,609,461	136,708,292	98,831	100.1%
Mortuary Fees	2,281,622	2,195,050	2,768,234	-	(2,768,234)	0.0%
Hospital User Fees-SHA	80,694,577	33,522,739	62,493,636	-	(62,493,636)	0.0%
	30,843,925	66,978,339	71,347,591	-	(71,347,591)	0.0%
					-	
Khunyangu Sub County Hospital	25256802	18621714	30,341,189.00	21,344,064	(8,997,125)	70.3%
Hospital User Fees-SHA	10,069,555	9,228,709	7,752,618	-	(7,752,618)	0.0%
	15,187,247	9,393,005	22,588,571	-	(22,588,571)	0.0%
					-	
Nambale Sub County Hospital	17470205	12265334	21,715,628.00	17,447,820	(4,267,808)	80.3%
Hospital User Fees-SHA	8,087,452	5,590,921	6,309,956	-	(6,309,956)	0.0%
	9,382,753	6,674,413	15,405,672	-	(15,405,672)	0.0%
					-	
Alupe Sub County Hospital	17781125	14351394	22,947,108.00	23,210,479	263,371	101.1%
Mortuary Fees	615,672	73,600	881,917	-	(881,917)	0.0%
Hospital User Fees-SHA	5,649,700	3,889,239	4,491,575	-	(4,491,575)	0.0%
	11,515,753	10,388,555	17,573,616	-	(17,573,616)	0.0%

Revenue Sources	Revised Budget Estimates	Actual Receipts	Revised Budget Estimates	Actual Receipts	Over or (Under) Performance	Performance
	FY 2024-2025	FY 2024-2025	FY2025-2026	FY 2025-2026	FY 2025-2026	FY 2025-2026
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	(%)
					-	
Teso North Sub County Hospital	21190911	21753720	23,609,579.00	30,550,440	6,940,861	129.4%
Mortuary Fees	2,441,812	1,533,700	3,099,451		(3,099,451)	0.0%
Hospital User Fees-	8,286,371	6,157,296	6,092,053		(6,092,053)	0.0%
SHA	10,462,728	14,062,724	14,418,075		(14,418,075)	0.0%
					-	
Sio Port Sub County Hospital	10494825	8664462	12,771,674.00	8,474,213	(4,297,461)	66.4%
Hospital User Fees-	3,653,827	2,696,469	2,895,456		(2,895,456)	0.0%
SHA	6,840,998	5,967,993	9,876,218		(9,876,218)	0.0%
					-	
Port Victoria Sub County Hospital	29505110	20504309	40,735,258.00	16,916,057	(23,819,201)	41.5%
Mortuary Fees	1,903,222	1,346,300	2,442,216		(2,442,216)	0.0%
Hospital User Fees-	4,987,453	3,616,478	3,942,354		(3,942,354)	0.0%
SHA	22,614,435	15,541,531	34,350,688		(34,350,688)	0.0%
					-	
Matayos Sub County Hospital	4,764,863	3,676,902	6,717,348	6,413,677	(303,671)	95.5%
Hospital User Fees-	4,627,256	1,324,929	5,480,181		(5,480,181)	0.0%
SHA	137,607	2,351,973	1,237,167		(1,237,167)	0.0%
Amukura Sub County Hospital	5,325,215	5,780,528	8,210,092	11,093,066	2,882,974	135.1%
Hospital User Fees-	4,564,762	2,991,411	3,730,552		(3,730,552)	0.0%
SHA	760,453	2,789,117	4,479,540		(4,479,540)	0.0%
Bumala B Sub County Hospital	5,078,991	4,856,624	4,105,046	6,592,139	2,487,093	160.6%
Hospital User Fees-	4,540,600	3,071,061	3,221,022		(3,221,022)	0.0%
SHA	538,391	1,785,563	884,024		(884,024)	0.0%
Mukhobola Sub County Hospital	5,261,081	2,982,144	8,210,092	5,791,501	(2,418,591)	70.5%
Hospital User Fees-	4,481,755	742,319	3,344,368		(3,344,368)	0.0%
SHA	779,326	2,239,825	4,865,724		(4,865,724)	0.0%
Angurai Sub County Hospital	4,558,693	2,392,011	7,463,720	4,700,713	(2,763,007)	63.0%
Hospital User Fees-	4,483,762	794,147	5,719,499		(5,719,499)	0.0%
SHA	74,931	1,597,864	1,744,221		(1,744,221)	0.0%
Lupida Sub County Hospital	4,741,746	6,909,395	8,210,092	14,625,880	6,415,788	178.1%
Hospital User Fees-	4,700,325	2,638,501	7,636,545		(7,636,545)	0.0%
SHA	41,421	4,270,894	573,547		(573,547)	0.0%
Health Centres - 18No	25,115,979	35,966,682	64,045,747	75,140,391	11,094,644	117.3%
Hospital User Fees-	25,115,979	35,966,682	25,827,515		(25,827,515)	0.0%
SHA	-	-	38,218,232		(38,218,232)	0.0%
Dispensaries	-	-	44,100,000	114,142,546	70,042,546	258.8%
Hospital User Fees-			3,304,350		(3,304,350)	0.0%
SHA			40,795,650		(40,795,650)	0.0%
					-	
CPHRA				3,871,448	3,871,448	
TOTAL AIA	290,365,670	261,421,347	439,792,034	497,022,726	57,230,692	113.0%
Total Own Source Revenue+ AIA	467,301,361	239,483,550	999,760,616	700,929,973	(298,830,643)	70.1%

Source: Busia County Treasury, 2026

The County Government realized own source revenue of **Kshs.700.96 million**, representing **70.11 per cent** of the annual target, compared with the **Kshs.506.67 million** collected during the Financial Year 2024/2025 as indicated in Table 2 above. This improvement reflects the positive impact of the measures undertaken by the County Government to strengthen revenue mobilization and enhance the efficiency of revenue collection.

Key Challenges Encountered and Proposed Measures to address them

Despite the notable improvement in revenue performance, the County Government continues to face a number of challenges that constrain the achievement of its full revenue potential. These include:

1. **Limited awareness of revenue automation and cashless payment systems:** Although significant progress has been made towards revenue automation and cashless collection, there is still a need for greater stakeholder and public awareness on the use of the County's USSD platform and other digital payment channels. Enhanced sensitization and capacity building will promote the adoption of cashless payments, improve accountability and minimize revenue leakages, pilferage and unauthorized collections.
2. **Incomplete automation of revenue streams:** Not all revenue streams have been fully automated, making it difficult to achieve comprehensive traceability of revenue collections. The County is therefore working towards ensuring that all revenue is collected through approved cashless payment channels. This challenge is particularly pronounced in Busia County as a border county, where some foreign traders do not have access to local mobile telephone lines and therefore prefer making payments in cash. The County continues to explore practical mechanisms for addressing this challenge while maintaining effective revenue controls.
3. **Incomplete mapping of the taxpayer database:** The County has not yet fully mapped and integrated its taxpayer database. This limits the availability of accurate and up-to-date information on taxpayers, including their registration status, payment history and outstanding obligations. The County is therefore undertaking measures to strengthen taxpayer identification, registration and database management.
4. **Inadequate deployment of revenue officers:** The number of revenue officers deployed across the various revenue collection points remains inadequate relative to the County's revenue administration needs. The County is addressing this constraint through enhanced interdepartmental coordination and optimization of the available human resources to ensure that critical revenue points receive adequate coverage.
5. **Weaknesses in enforcement and compliance monitoring:** Revenue enforcement has traditionally relied largely on passive approaches. To address this limitation, the County is moving towards establishing a dedicated **compliance and surveillance function** that will facilitate systematic, targeted and intelligence-driven enforcement. This approach

will enable the County to identify areas of non-compliance more effectively and improve revenue collection.

6. **Absence of a comprehensive revenue forecasting tool:** The lack of a reliable revenue forecasting tool has been a significant constraint in setting realistic and evidence-based revenue targets. Consequently, some targets have been established without adequate historical, economic and trend-based analysis. The County is working towards strengthening revenue forecasting and target-setting through improved data collection, analysis and the adoption of appropriate forecasting methodologies.

Overall, the **38.35 per cent growth in revenue collection** recorded in FY 2025/2026 compared with FY 2024/2025 demonstrates encouraging progress in the County's revenue mobilization efforts. However, sustained improvement will require continued investment in automation, taxpayer mapping, compliance enforcement, staff capacity, data management and evidence-based revenue forecasting.

County Expenditure Performance

The total approved budget for Busia County for the Financial Year 2025/2026 amounted to **Kshs.11.16 billion**. Of this amount, **Kshs.3.80 billion (34.07%)** was allocated to Development Expenditure, while **Kshs.7.36 billion (65.93%)** was earmarked for Recurrent Expenditure.

The Recurrent Expenditure allocation comprised **Kshs.4.63 billion** for Personnel Emoluments and **Kshs.2.73 billion** for Operations and Maintenance.

By the end of the financial year, actual expenditure stood at **Kshs.8.53 billion**, representing **76.40%** of the approved budget. This comprised **Kshs.6.87 billion** in Recurrent Expenditure and **Kshs.1.66 billion** in Development Expenditure.

The relatively low absorption was mainly attributed to the following factors:

- Delays in procurement processes and the release of funds.
- Accumulation of pending bills and outstanding debts.
- Capacity gaps in the implementation of programmes and projects.

Mitigation Measures to Address Under-Absorption

To improve budget absorption and strengthen expenditure performance, the County Government will undertake the following measures:

- Streamline procurement processes through the adoption and implementation of **e-Government Procurement (e-GP)**.
- Expedite the clearance of pending bills while strengthening cash-flow and cash-management mechanisms.
- Build the capacity of staff involved in programme and project implementation, while strengthening monitoring and evaluation systems; and
- Enhance local revenue mobilization and strengthen public participation in the planning, budgeting and implementation of County programmes and projects.

Allocation and Absorption of the County Budget by Economic Classification

The total County budget allocation for the Financial Year 2025/2026 amounted to **Kshs.11.16 Billion** while absorption was **Kshs.8.53 Billion**.

Table 3: Summary of the Total County Allocation and Absorption

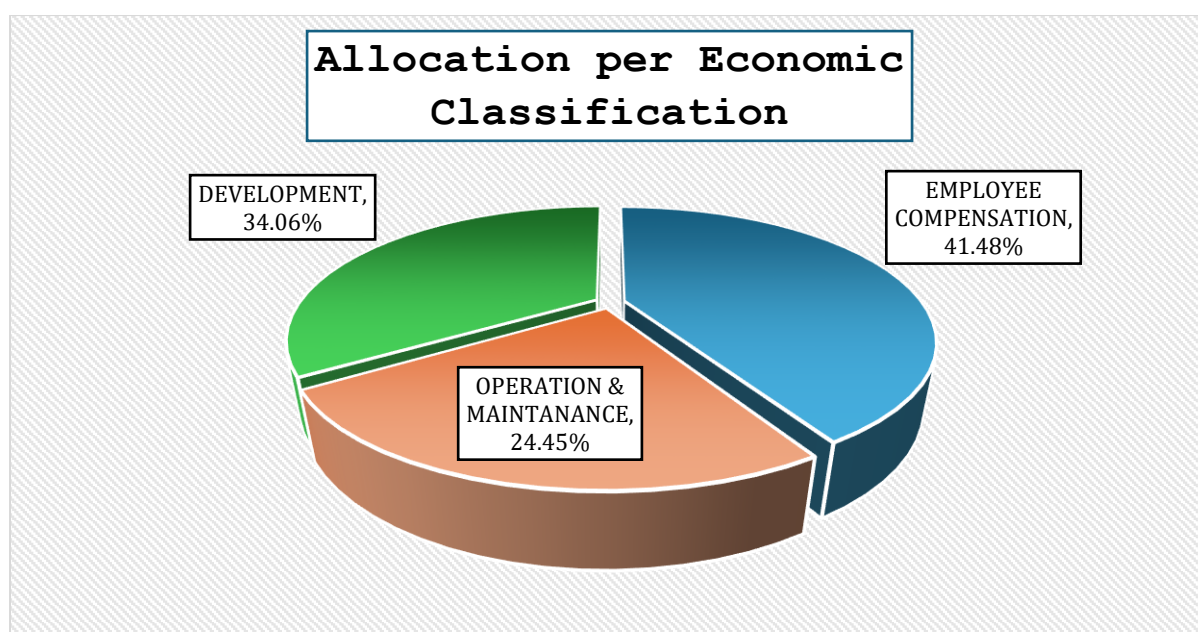
No	Description	Budgeted Amount (Kshs.)	(%) Allocation	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	4,629,180,387	41.48%	4,612,229,994	99.63%
2	Operation & Maintenance	2,728,940,497	24.45%	2,250,941,827	82.48%
3	Development	3,801,357,588	34.06%	1,662,988,882	43.75%
	Total Expenditure	11,159,478,472	100.00%	8,526,160,703	76.40%

Source: *Busia County Treasury, 2026*

The largest share of the budget was allocated to **Employee Compensation**, accounting for **41.48%** of the total budget. This was followed by **Development Expenditure**, which accounted for **34.06%**, while **Operations and Maintenance** received the least allocation at **24.45%**.

Overall, the allocation pattern reflects a significant emphasis on employee compensation, while also providing substantial resources for development programmes and the delivery of essential operational and maintenance service

Chart 1: Analysis of Total Allocation



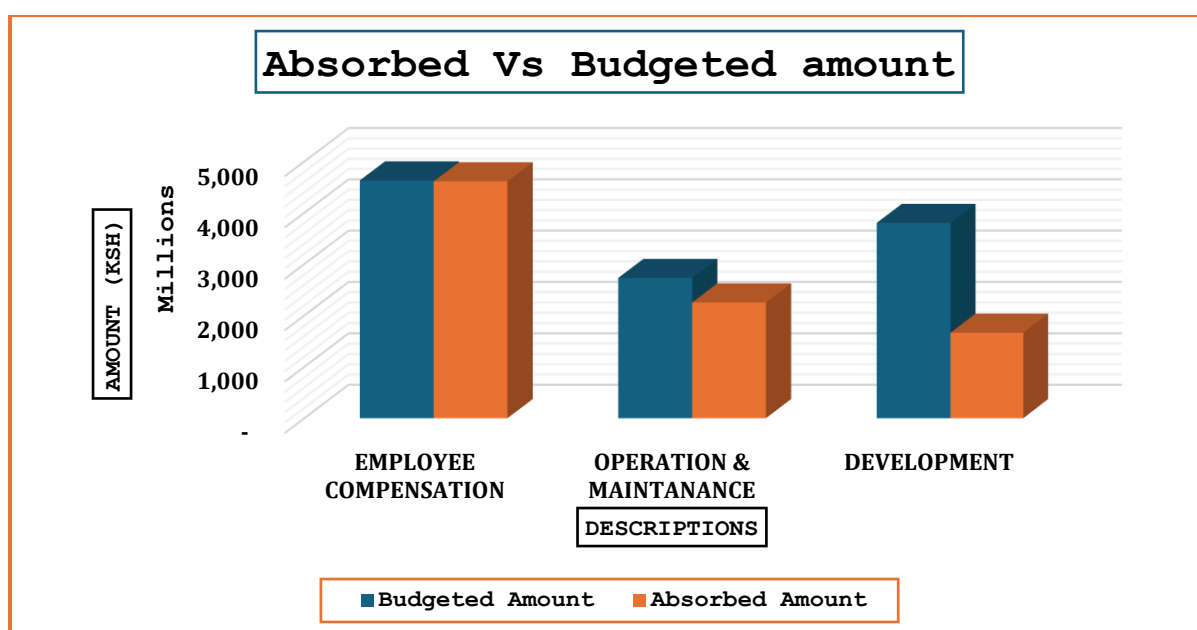
Source: Busia County Treasury, 2026

County Expenditure by Economic Classification

Employee Compensation recorded the highest level of expenditure at **Kshs.4.612 billion**, reflecting the significant share of the County budget committed to meeting personnel-related obligations. This was followed by **Operations and Maintenance**, which recorded expenditure of **Kshs.2.251 billion**, supporting the delivery of essential services and implementation of County programmes.

Development Expenditure recorded the lowest level of expenditure at **Kshs.1.663 billion**. The relatively lower spending of the development budget indicates the need to strengthen the implementation of development programmes and projects, enhance procurement and contract management, and address other implementation bottlenecks to improve development budget absorption in subsequent financial years.

Graph 1: Graphical presentation of County Budget Allocation Against Absorption



Source: Busia County Treasury, 2026

The highest absorption rates were recorded under Operations and Maintenance for the County Assembly, which achieved an exceptionally high absorption rate of **100%**. This was followed by Employee Compensation for the Department of County Treasury, at **99.98%**, and Employee Compensation for the Department of Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SMEs), at **99.97%**. The high absorption rates in these categories indicate that the respective departments were largely able to utilize their approved allocations for the intended recurrent expenditure requirements, particularly employee-related costs and essential operational activities.

On the other hand, the lowest absorption rates were recorded under Development Expenditure for the Department of County Treasury and Economic Planning and Public Service Management, which recorded **0%** absorption, This was occasioned by late disbursement of fund in relation to KDSP under PSM while equalization fund under Finance was not disbursed as at the year end. This was followed by Development Expenditure for the Department of Strategic Partnerships and Digital Economy, at **4.09%**, and Development Expenditure for the Department of Lands, Housing and Urban Development, at **14.71%**.

Table 4: Expenditure Performance by economic classification per vote

Vote Title	Economic Classification	4th Quarter Actual FY 2023/2024	Revised Estimates FY 2024/2025	4th Quarter Actual FY 2024/2025	Revised Estimates FY 2025/2026 [A]	Actuals FY 2025/2026 [B]	Variance FY 2025/2026 [C=A-B]	Absorp tion Rate
		Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	[%]
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness	Recurrent	280,129,926	251,201,831	250,184,265	252,204,060	238,024,605	14,179,455	94.38%
	Employee Compensation	207,574,238	188,862,848	188,852,385	216,007,110	215,782,822	224,288	99.90%
	Operations and Maintenance	72,555,688	62,338,983	61,331,881	36,196,950	22,241,783	13,955,167	61.45%
	Development	645,122,284	863,561,654	445,145,488	636,152,628	434,327,607	201,825,021	68.27%
	Total	925,252,210	1,114,763,485	695,329,753	888,356,688	672,352,212	216,004,476	75.68%
Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SME)	Recurrent	96,211,577	98,909,577	96,522,217	81,044,808	61,260,395	19,784,413	75.59%
	Employee Compensation	38,088,587	52,619,069	52,616,154	54,093,401	54,079,435	13,966	99.97%
	Operations and Maintenance	58,122,990	46,290,508	43,906,063	26,951,407	7,180,960	19,770,447	26.64%
	Development	157,239,485	404,819,223	195,592,022	269,610,821	133,459,164	136,151,657	49.50%
	Total	253,451,062	503,728,800	292,114,239	350,655,629	194,719,559	155,936,070	55.53%
Education and Industrial Skills Development	Recurrent	704,747,529	649,922,923	644,715,295	699,669,524	650,254,002	49,415,522	92.94%
	Employee Compensation	461,875,191	512,697,256	512,668,852	560,557,817	560,030,867	526,950	99.91%
	Operations and Maintenance	242,872,338	137,225,667	132,046,444	139,111,707	90,223,135	48,888,572	64.86%
	Development	22,743,758	184,562,857	24,851,170	206,221,609	166,347,029	39,874,580	80.66%
	Total	727,491,287	834,485,780	669,566,465	905,891,133	816,601,031	89,290,102	90.14%
The County Treasury and Economic Planning	Recurrent	712,315,063	810,004,995	743,401,893	637,641,486	607,102,452	30,539,034	95.21%
	Employee Compensation	346,321,279	263,602,562	263,587,958	300,114,571	300,052,901	61,670	99.98%
	Operations and Maintenance	305,497,847	500,763,121	479,813,935	337,526,915	307,049,551	30,477,364	90.97%
	Development	60,495,937	45,639,312	-	17,919,656	-	17,919,656	0.00%
	Total	772,811,000	855,644,307	743,401,893	655,561,142	607,102,452	48,458,690	92.6%
Youth, Sports, Culture, Gender, Creative Arts and Social Services	Recurrent	149,252,295	232,647,920	223,533,191	270,509,842	218,468,374	52,041,468	80.8%
	Employee Compensation	48,151,964	52,503,935	52,501,026	52,513,808	52,333,826	179,982	99.7%
	Operations and Maintenance	101,100,331	180,143,985	171,032,165	217,996,034	166,134,548	51,861,486	76.2%
	Development	9,998,972	42,368,218	-	25,790,031	5,485,373	20,304,658	21.3%
	Total	159,251,267	275,016,138	223,533,191	296,299,873	223,953,747	72,346,126	75.6%
Transport, Roads and Public Works	Recurrent	247,588,102	156,172,152	154,304,757	154,904,321	128,549,571	26,354,750	83.0%
	Employee Compensation	63,476,188	81,490,684	81,486,169	83,555,152	83,383,872	171,280	99.8%
	Operations and Maintenance	184,111,914	74,681,468	72,818,588	71,349,169	45,165,699	26,183,470	63.3%
	Development	439,519,712	753,742,011	714,392,130	790,589,196	458,402,204	332,186,992	58.0%
	Total	687,107,814	909,914,163	868,696,887	945,493,517	586,951,775	358,541,742	62.1%
Public Service Management	Recurrent	486,929,936	649,740,739	628,343,561	932,477,917	852,605,760	79,872,157	91.4%
	Employee Compensation	153,654,386	232,586,842	232,573,956	452,457,757	452,090,896	366,861	99.9%
	Operations and Maintenance	333,275,550	417,153,897	395,769,605	480,020,160	400,514,864	79,505,296	83.4%
	Development	-	-	-	352,500,000	-	352,500,000	0.0%
	Total	486,929,936	649,740,739	628,343,561	1,284,977,917	852,605,760	432,372,157	66.4%
Lands, Housing and urban Development	Recurrent	170,227,501	226,459,548	219,505,532	212,322,390	169,809,711	42,512,679	80.0%
	Employee Compensation	34,197,742	63,222,343	63,218,840	66,175,063	65,192,122	982,941	98.5%
	Operations and Maintenance	136,029,759	163,237,205	156,286,691	146,147,327	104,617,589	41,529,738	71.6%
	Development	21,233,906	209,001,663	100,753,888	232,746,987	34,235,160	198,511,827	14.7%
	Total	191,461,407	435,461,211	320,259,420	445,069,377	204,044,871	241,024,506	45.9%
Water, Environment, Irrigation, Natural Resources and Climate Change	Recurrent	161,899,790	151,654,907	148,493,638	147,429,403	128,371,162	19,058,241	87.1%
	Employee Compensation	75,240,878	92,668,545	92,663,411	94,152,036	93,356,845	795,191	99.2%
	Operations and Maintenance	86,658,912	58,986,362	55,830,227	53,277,367	35,014,317	18,263,050	65.7%
	Development	252,907,284	866,212,113	353,386,191	842,218,856	272,246,772	569,972,084	32.3%
	Total	414,807,074	1,017,867,020	501,879,829	989,648,259	400,617,934	589,030,325	40.5%
Health Services and Sanitation	Recurrent	2,372,289,114	2,243,308,961	2,224,679,537	2,579,334,707	2,548,623,418	30,711,289	98.8%
	Employee Compensation	1,648,028,507	1,761,260,021	1,761,162,444	2,053,694,979	2,052,716,185	978,794	99.9%
	Operations and Maintenance	724,260,607	482,048,940	463,517,093	525,639,728	495,907,233	29,732,495	94.3%
	Development	126,616,344	461,392,026	160,369,948	345,383,514	112,965,975	232,417,539	32.7%
	Total	2,498,905,458	2,704,700,987	2,385,049,485	2,924,718,221	2,661,589,393	263,128,828	91.0%
County Public Service Board	Recurrent	100,769,619	96,299,382	115,447,023	73,040,633	63,245,662	9,794,971	86.6%
	Employee Compensation	30,431,963	25,961,726	25,960,288	29,563,226	29,059,066	504,160	98.3%
	Operations and Maintenance	70,337,656	70,337,656	89,486,735	43,477,407	34,186,596	9,290,811	78.6%
	Total	100,769,618	96,299,382	115,447,023	73,040,633	63,245,662	9,794,971	86.6%
County Law Office	Recurrent	85,751,723	82,256,594	79,840,624	55,329,033	34,617,018	20,712,015	62.6%
	Employee Compensation	19,256,836	13,074,486	13,073,762	15,820,129	14,897,878	922,251	94.2%
	Operations and Maintenance	66,494,887	69,182,108	66,766,862	39,508,904	19,719,140	19,789,764	49.9%
	Total	85,751,723	82,256,594	79,840,624	55,329,033	34,617,018	20,712,015	62.6%
Strategic Partnerships and Digital Economy	Recurrent	52,076,677	58,960,335	58,392,353	49,792,832	39,446,471	10,346,361	79.2%
	Employee Compensation	22,702,021	24,168,957	24,167,618	29,159,980	29,145,000	14,980	99.9%
	Operations and Maintenance	29,374,656	34,791,378	34,224,735	20,632,852	10,301,471	10,331,381	49.9%
	Development	-	6,000,000	-	10,994,000	450,000	10,544,000	4.1%
	Total	52,076,677	64,960,335	58,392,353	60,786,832	39,896,471	20,890,361	65.6%
The Governorship	Recurrent	354,157,435	374,048,916	368,000,777	352,821,883	273,997,643	78,824,240	77.7%
	Employee Compensation	127,201,991	173,324,779	173,315,176	187,239,695	186,972,527	267,168	99.9%
	Operations and Maintenance	226,955,444	200,724,137	194,685,600	165,582,188	87,025,116	78,557,072	52.6%
	Development	43,399,935	26,449,055	2,000,000	16,730,290	11,941,858	4,788,432	71.4%
	Total	397,557,370	400,497,971	370,000,777	369,552,173	285,939,501	83,612,672	77.4%
County Assembly	Recurrent	889,265,459	804,254,206	804,245,638	859,598,045	848,795,577	10,802,468	98.7%

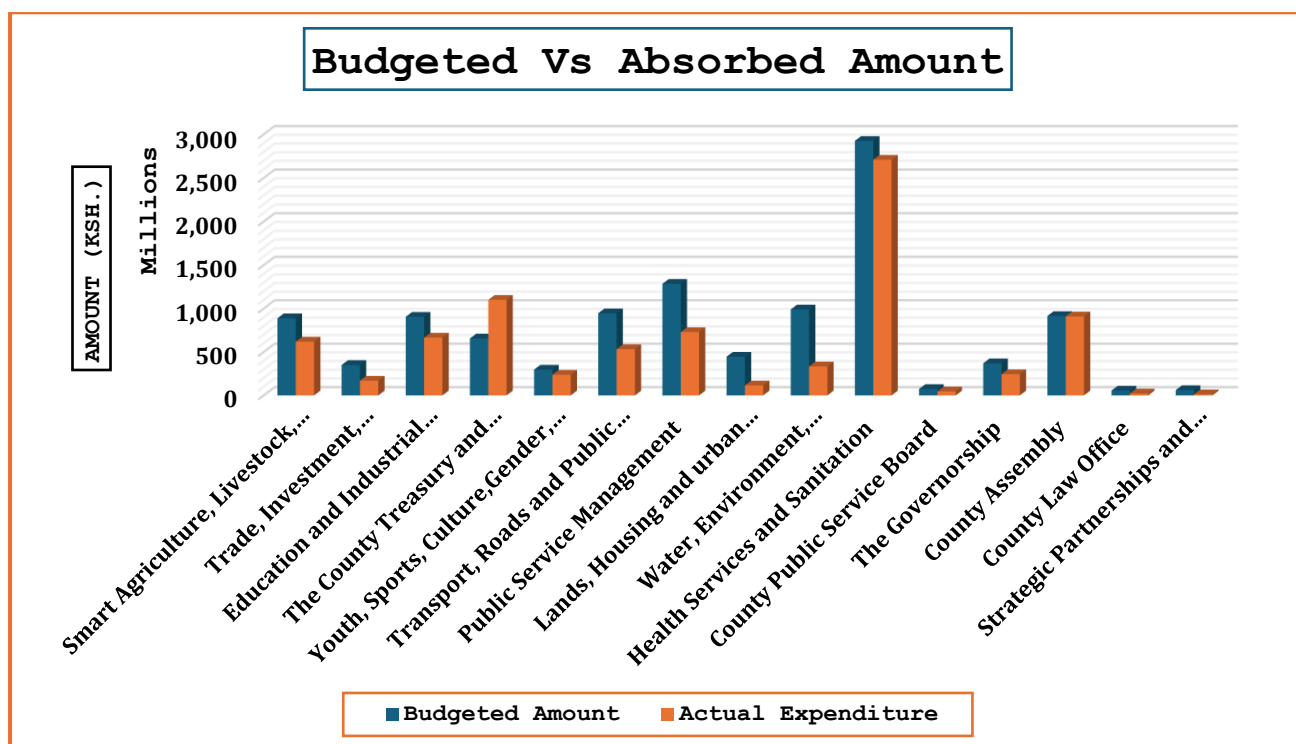
Vote Title	Economic Classification	4th Quarter Actual FY 2023/2024	Revised Estimates FY 2024/2025	4th Quarter Actual FY 2024/2025	Revised Estimates FY 2025/2026 [A]	Actuals FY 2025/2026 [B]	Variance FY 2025/2026 [C=A-B]	Absorp tion Rate
		Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	[%]
	Employee Compensation	419,519,807	445,462,004	443,582,761	434,075,663	423,273,195	10,802,468	97.5%
	Operations and Maintenance	469,745,652	358,792,202	360,662,877	425,522,382	425,522,382	-	100.0%
	Development	51,694,500	42,200,000	40,857,924	54,500,000	33,127,740	21,372,260	60.8%
	Total	940,959,959	846,454,206	845,103,562	914,098,045	881,923,317	32,174,728	96.5%
	Recurrent	6,803,115,808	6,864,200,606	6,759,610,300	7,358,120,884	6,863,171,821	494,949,063	93.3%
Summary	Employee Compensation	3,695,721,578	3,983,506,057	3,981,430,800	4,629,180,387	4,612,229,994	16,950,393	99.6%
	Operations and Maintenance	3,107,394,230	2,880,694,549	2,778,179,501	2,728,940,497	2,250,941,827	477,998,670	82.5%
	Development	1,830,972,117	3,905,948,132	2,037,348,761	3,801,357,588	1,662,988,882	2,138,368,706	43.8%
	Totals	8,634,087,925	10,770,148,738	8,796,959,061	11,159,478,472	8,526,160,703	2,633,317,769	76.4%

Source: Busia County Treasury, 2026

The **Department of Health Services and Sanitation**, The County Assembly and Public Service Management recorded the highest spending of **Kshs.2.66 Billion**, **Kshs.881.92 Million** and **Kshs.852.62 Million** respectively.

On the other hand, the Department of County Law, Strategic Partnerships and Digital Economy and Public Service Board recorded the lowest expenditure, amounting to **Kshs.34.62 million**, **Kshs.39.90 million** and **Kshs.63.25 Million** respectively. The relatively low level of expenditure indicates a significantly lower absorption of the allocated budget and highlights the need to address implementation, procurement, and other administrative constraints affecting the execution of programmes under the departments.

Graph 2: Graphical Presentation of Budget Allocation per Vote Against Absorption



Source: Busia County Treasury, 2026

Expenditure performance at the Programme levels

Absolute Expenditure per Programme

In absolute monetary terms, the General Administration and Support Services Programme in the Department of Health Services and Sanitation recorded the highest expenditure, amounting to **Kshs.2.549 Billion**. This was followed by the General Administration and Support Services Programme in the Department of Public Service Management, which recorded an expenditure of **Kshs.852.61 million**. The General Administration and Support Services Programme of the County Assembly ranked third, with an expenditure of **Kshs.848.80 Million**.

The relatively high expenditure under these programmes reflects the significant resource requirements associated with administration, personnel-related costs, institutional operations and other support functions necessary for the effective delivery of County Government services. However, high absolute expenditure shall also be assessed alongside programme outputs and outcomes to ensure that expenditure translates into tangible improvements in service delivery.

The lowest expenditure in absolute terms was recorded under the Information Communication Technology Programme in the Department of Strategic Partnerships and Digital Economy, which incurred expenditure of only **Kshs.450,000**. This was followed by the Physical Planning and Land Use Management Programme in the Department of Lands, Housing and Urban Development, with an expenditure of **Kshs.1,100,000**. The Social Services and Development to Vulnerable Groups Programme in the Department of Youth, Sports, Culture, Gender, Creative Arts and Social Services recorded the third-lowest expenditure at **Kshs.1,480,000**.

Table 5: Expenditure on performance at the Programme levels.

Programme (CP)	Revised Budget Estimates	4th Quarter Actuals	Revised Budget Estimates	4th Quarter Actuals	Revised Budget Estimate	4th Quarter Actuals	Absorption
	FY 2023/2024	FY 2023/2024	FY 2024/2025	FY 2024/2025	FY 2025/2026	FY 2025/2026	FY 2025/2026
	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	(%)
Agriculture						-	
CP 1: General Administration and support services	280,129,929	280,129,926	251,201,831	250,184,265	252,204,060	238,024,605	94.4%
CP 2: Ward Economic Revitalization Programme	865,579,268	645,122,284	863,561,654	445,145,488	636,152,628	434,327,607	68.3%
Trade						-	
CP 3: General Administration and support services	96,211,577	96,211,577	98,909,577	96,522,217	81,044,808	61,260,395	75.6%
CP 4: Trade Development and Investment	134,697,995	33,568,708	64,490,000	42,723,601	98,484,448	12,830,293	13.0%
CP 5: Fair Trade practices	6,995,000	-	4,000,000	2,500,000	-	-	-
CP 6: Industrialization	250,000,000	118,170,777	319,329,223	133,368,421	157,626,373	116,628,871	74.0%
CP 7: Cooperative Business Development	8,600,000	5,500,000	17,000,000	17,000,000	13,500,000	4,000,000	29.6%
CP : Alcoholic Drinks and Drugs Abuse Control	5,000,000	-	-	-	-	-	-
Education						-	
CP 8: General Administration and support services	715,047,533	704,747,529	649,922,923	644,715,295	699,669,524	650,254,002	92.9%
CP 9: Early Childhood Development Education	20,000,000	12,451,363	131,584,493	16,495,190	187,918,132	166,347,029	88.5%
CP 10: Vocational Training Development	42,500,000	10,292,395	52,139,028	8,355,980	17,464,140	-	0.0%
CP 11: Education support	839,336	-	839,336	-	839,336.00	-	0.0%
Treasury						-	
CP 12: General Administration and support services	659,195,450	651,819,126	764,365,683	743,401,893	637,641,486	607,102,452	95.2%
CP 13: Public Financial Management	72,919,656	60,495,937	5,800,000	-	-	-	-
CP 14: Economic Policy and Planning	6,000,000	-	39,839,312	-	17,919,656	-	0.0%

Programme (CP)	Revised Budget Estimates	4th Quarter Actuals	Revised Budget Estimates	4th Quarter Actuals	Revised Budget Estimate	4th Quarter Actuals	Absorption
	FY 2023/2024	FY 2023/2024	FY 2024/2025	FY 2024/2025	FY 2025/2026	FY 2025/2026	FY 2025/2026
	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	Kshs..	(%)
CP : Information and Communication Services	-	-	-	-	-	-	-
CP : Information Communication Technology	-	-	-	-	-	-	-
Culture	-	-	-	-	-	-	-
CP 15: General Administration and support services	149,252,295	149,252,295	232,647,920	223,533,191	270,509,842	218,468,374	80.8%
CP 16: Cultural Promotion and Development	19,000,000	5,377,688	12,710,463	-	5,424,103	4,005,373	73.8%
CP : Child Care, Right and Protection	8,000,000	-	-	-	-	-	-
CP 17: Youth Empowerment and Development	1,000,000	-	2,000,000	-	1,998,000	-	0.0%
CP 18: Promotion and Development of Sports	8,026,968	4,050,566	17,192,600	-	16,887,928	-	0.0%
CP : Promotion and Development of Local Tourism in the County	-	-	5,000,000	-	-	-	-
CP : Alcoholic Drinks and Drugs Abuse Control	-	-	-	-	-	-	-
CP 19: Social Services and Development to Vulnerable	8,698,760	570,718	5,465,155	-	1,480,000	1,480,000	100.0%
Public Works	-	-	-	-	-	-	-
CP 20: General Administration and support services	247,588,102	247,588,102	156,172,152	154,304,757	154,904,321	128,549,571	83.0%
CP 21: Road Network	504,494,095	437,746,930	725,245,531	704,886,722	770,350,708	452,675,492	58.8%
CP 22: Alternative Transport Infrastructure Development	3,000,000	1,772,782	9,200,000	-	5,989,384	2,869,055	47.9%
CP 23: Building Infrastructure Development	17,000,000	-	19,296,480	9,505,408	14,249,104	2,857,657	20.1%
CP : Energy Development	-	-	-	-	-	-	-
Public Service Management	-	-	-	-	-	-	-
CP 24: General Administrative and support services	512,469,929	486,929,936	649,740,739	628,343,561	932,477,917	852,605,760	91.4%
CP: Devolution Support Programme	-	-	-	-	352,500,000	-	0.0%
Lands	-	-	-	-	-	-	-
CP 25: General Administrative and support services	170,227,501	170,227,501	226,459,548	219,505,532	212,322,390	169,809,711	79.9%
CP 26: Physical Planning and Land Use Management	13,200,000	5,246,490	37,893,510	750,000	18,400,000	1,100,000	5.9%
CP 27: Urban Management Services	103,361,630	14,244,033	62,169,042	56,700,000	20,631,933	9,539,217	46.2%
CP 28: Housing Development and Management	38,388,495	1,743,383	108,939,111	43,303,888	193,715,054	23,595,943	12.2%
Water	-	-	-	-	-	-	-
CP 29: General Administrative and support services	161,899,790	161,899,790	151,654,907	148,493,638	147,429,403	128,371,162	87.1%
CP 30: Water Supply Services	247,043,208	117,846,724	332,125,179	132,410,838	254,817,227	105,771,597	41.5%
CP : Environmental Management and Protection	-	-	-	-	-	-	-
CP 31: Environmental Conservation and Management	22,771,169	3,809,306	9,192,725	4,999,000	18,059,205	6,197,204	34.3%
CP 32: Climate Change Mitigation and Adaptation	274,362,903	43,895,481	442,233,404	198,670,953	443,866,434	147,207,070	33.2%
CP 33: Irrigation and Land Reclamation Services	8,648,809	8,483,934	3,925,275	998,900	4,420,475	1,920,750	43.5%
CP: Promotion of livelihood diversification	-	-	-	-	2,000,000	-	0.0%
CP 34: Energy Development	113,688,487	78,871,839	78,735,530	16,306,500	119,055,516	11,150,151	9.4%
Health	-	-	-	-	-	-	-
CP 35: General Administration and support services	2,372,289,114	2,372,289,114	2,243,308,961	2,224,679,537	2,579,334,707	2,548,623,418	98.8%
CP 36: Curative and Rehabilitative Services	220,068,376	62,168,751	282,496,766	151,622,826	169,248,212	112,965,975	66.8%
CP 37: Preventive and Promotive Health Services	187,444,798	64,447,593	178,895,260	8,747,122	176,135,302	-	0.0%
CP : Administrative and Support Services	-	-	-	-	-	-	-
Public Service Board	-	-	-	-	-	-	-
CP 38: General Administration and support services	100,769,619	100,769,618	120,296,314	115,447,023	73,040,633.00	63,245,662	86.6%
County Law Office	-	-	-	-	-	-	-
CP 39: General Administration and support services	85,751,725	85,751,723	82,256,594	79,840,624	55,329,033	34,617,018	62.6%
Strategic Partnership	-	-	-	-	-	-	-
CP 40: General Administration and support services	52,076,677	52,076,677	58,960,335	58,392,353	49,792,832	39,446,471	79.2%
CP 41: Information Communication Technology	10,000,000	-	6,000,000	-	10,994,000	450,000	4.1%
Governorship	-	-	-	-	-	-	-
CP 42: General Administration and support services	354,157,435	354,157,435	374,048,916	368,000,777	352,821,883	273,997,643	77.7%
CP 43: Disaster Risk Management	43,580,175	43,399,935	26,449,055	2,000,000	16,730,290	11,941,858	71.4%
CP : County Communication and Publicity	-	-	-	-	-	-	-
County Assembly	-	-	-	-	-	-	-
CP 44: General Administration and support services	890,557,352	889,265,459	804,254,206	804,245,638	859,598,045	848,795,577	98.7%
CP 45: Legislation, Representation and Oversight	90,500,000	51,694,500	42,200,000	40,857,924	54,500,000	33,127,740	60.8%
Total Expenditure	10,203,033,157	8,634,087,925	10,770,148,738	8,796,959,061	11,159,478,472	8,526,160,703	76.4%

Source: Busia County Treasury, 2026

Analysis of Expenditures Per Department

1. Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness

The **Vision** of the department is to be a leading County in food security and self-sufficiency for sustained livelihoods.

The **Mission** is to improve the livelihoods of Busia County residents through promotion of competitive agriculture, provision of support services while ensuring a sustainable natural resources base.

The Department's **Mandate** covers development and implementation of programmes aimed at improving food security; promotion of sustainable agribusiness and agricultural trade; livestock development and animal husbandry; veterinary services, including disease surveillance and control; fisheries management and development; and promotion of the blue economy. These functions are implemented within the devolved responsibilities assigned to the county governments under the Fourth Schedule of the Constitution of Kenya; 2010.

Busia County has considerable agricultural potential because of its diverse agro-ecological conditions, land and water resources. The county produces crops such as maize, beans, cassava, sweet potatoes, rice, millet, sugarcane, cotton, groundnuts, bananas and other horticultural and oil crops. Livestock production includes dairy and beef cattle, poultry, goats and pigs, while fisheries benefit significantly from Lake Victoria as well as fish ponds, cages and other aquaculture systems.

The Department is organized around five **Directorates** including; Smart Agriculture and Crops, Agribusiness Development, Fisheries and Blue Economy, Livestock Production, and Veterinary Services. Its programmes focus on increasing agricultural productivity and commercialization through subsidized tractor hire services, agricultural extension services, improved access to farm inputs, soil testing and liming, pests and disease control/management, dairy development, artificial insemination, livestock vaccination, dairy parks, indigenous poultry production and agribusiness development.

The Department has also made significant investments in fisheries and aquaculture development through the establishment of fish ponds, fish cages, fish-feed production facilities and fish hatcheries. These interventions seek to increase fish production, improve household incomes, create employment and strengthen the contribution of fisheries and the blue economy to the county's economy.

A major focus of the Department is the transformation of subsistence farming into commercially oriented agriculture through value-chain development, improved production and productivity, value addition, improved market access and private-sector participation. Priority value chains include dairy, poultry, fish, beef and edible oil crops such as sunflower, groundnuts, sesame, soybean and cotton.

The Department contributes significantly to poverty reduction and rural economic development through ward-based agricultural interventions. These seek to strengthen agricultural production at ward level, increase household incomes, improve food and nutrition security and expand access to agricultural support services. Overall, the Department is strategically positioned to contribute to food and nutrition security, poverty reduction, employment creation, increased household incomes, value addition, agribusiness development, sustainable fisheries and aquaculture, and climate-resilient rural economic transformations in Busia County. Its interventions are central to the County Government of Busia's broader development agenda of improving the welfare and economic opportunities of Busia residents.

In the year under review, the department through its county programmes and donor funded projects recorded the following key achievements;

1. Crops Directorate

The Crops Directorate continued to promote agricultural productivity through mechanization, food and oil crops development, and soil fertility improvement despite funding constraints and climatic change challenges. Under the subsidized tractor hire programme, 968.8 acres were ploughed using 22 operational tractors. The Directorate also supported increased crop production, with cassava production reaching 231,932 metric tonnes, soybean production 7,220 metric tonnes, and finger millet cultivated on 9,823 acres. Through the farm input support programme, 70,000 farmers accessed production inputs and planted approximately 12,700 acres of maize, contributing to improved household food security.

To enhance sustainable agricultural production, the directorate collected 1,804 soil samples for analysis to guide site-specific soil fertility management. Furthermore, through the National Agricultural Value Chain Development Project (NAVCDP), farmers benefited from climate-smart agricultural technologies, digital extension services, and strengthened farmer organizations, thereby enhancing productivity, commercialization, and market participation.

2. Agribusiness Directorate

The Agribusiness Directorate focused on improving market access, value addition, and access to agricultural finance for farmers. During the long rains season, the directorate facilitated the distribution of 12,970 bags (648.5 tonnes) of subsidized fertilizer through the Last Mile Programme, enhancing timely access to farm inputs and contributing to improved crop productivity and food security. The programme also strengthened the farmers' access to affordable credit through partnerships with NAVCDP, enabling 2,601 farmers to access agricultural loans through Ward based agricultural SACCOs to support enterprise development and commercialization.

3. Livestock Production

The Livestock Directorate registered significant progress in strengthening the livestock production systems through infrastructure development, fodder production, capacity building, and commercialization initiatives. Through the Kenya Livestock Commercialization Project (KeLCoP), the County upgraded the Nambale Livestock Sale Yard, trained and supported 3,000 households with livestock production technologies and biological assets, and established two apiculture demonstration centers complete with honey processing equipment.

The programme also distributed improved fodder planting materials to 1,500 farmers, established 30 acres of fodder, supported dairy value chain development through installation of a 2,000-litre solar-powered milk cooler, and advanced the operationalization of Asing'e Dairy Park. Additional interventions included distribution of indigenous chicken chicks and meat goats to the farmer groups, sponsorship of animal health trainees, and provision of water infrastructure to support livestock production.

4. Veterinary Services

The Veterinary Services Programme enhanced livestock health and productivity through disease control, breed improvements, and strengthening veterinary service delivery. During the reporting period, the directorate procured eight (8) nitrogen tanks and artificial insemination equipment, vaccinated 26,200 cattle against Foot and Mouth Disease, 100,000 poultry against Newcastle Disease and Fowl Pox, and 3,500 cattle against Lumpy Skin Disease. In collaboration with the development partners, 2,700 animals received artificial insemination services, while 450 animals benefited from livestock treatment and disease control interventions.

5. Fisheries and Blue Economy Development

The Fisheries and Blue Economy Development Programme achieved substantial progress in increasing aquaculture production, value addition, and fisheries infrastructure. The County produced 254 tonnes of fish from aquaculture, supported three (3) aqua parks, developed 142 cluster production ponds, and installed 288 fish cages, significantly expanding fish production capacity. Fish value addition also improved markedly, with 241 tonnes of fish products processed through smoking and sun-drying technologies. Additionally, the Aquaculture Business Development Programme supported 2,177 fish farmers, surpassing the annual target and contributing to increased household incomes, food security, and sustainable livelihoods among the fisher folk communities across the County.

National Agricultural Value Chain Development Project (NAVCDP)

During the FY 2025/2026, the project enhanced the farmers' access to markets, value addition, irrigation, and financial services through strategic investments in community institutions and productive infrastructure. Grants amounting to over Kshs. 66 million were disbursed to the

FPOs and SACCOs to support value addition, enterprise development, and financial inclusion, resulting in significant growth in the FPOs' membership, SACCO capitalization, savings, and farmers' access to credit.

The key investments secured for implementation during the period under review and currently under implementation include the installation of a cotton ginning and oil extraction machine for cotton value addition at Jairos Cooperative, construction of a rice drying floor and warehouse at Bumamu FPO in Bunyala Central ward, rehabilitation of the Changara Irrigation Scheme, upgrading of the Bumala Livestock Market in Marachi West Ward, upgrading of the Amukura Livestock Market in Amukura East Ward, installation of a cotton ginning machine for value addition at Nambale Union, and establishment of a poultry hatchery in Amukura East Ward.

Challenges

- Underperformance of several revenue streams, particularly the tractor hire services and livestock-related revenue collections.
- Climate change and flooding, including erratic rainfall, prolonged dry spells and damage to crops and agricultural infrastructure.
- Inadequate and delayed funding, affecting timely implementation of programmes and provision of agricultural services.
- High cost of farm inputs and production, reducing the farmers' profitability and adoption of modern technologies.
- Pests and livestock diseases, which continue to affect crop and livestock productivity.
- Weak market linkages and price fluctuations, resulting into low and unpredictable gross margin returns to farmers.
- Limited value-addition and storage capacity, contributing to post-harvest losses and reduced farm incomes.
- Limited access to affordable agricultural finance for smallholder farmers and agribusinesses.
- Low adoption of modern agricultural technologies and inadequate access to extension services.
- Procurement and implementation delays, particularly where interventions are dependent on agricultural seasons.
- Dependence on development partners, which exposes programmes to funding and sustainability risks.
- Cross-border trade disruptions and land fragmentation, which constrain access to markets and commercial-scale production.

Way Forward

- Expand irrigation and climate-smart agriculture to reduce dependence on rainfall and strengthen resilience to floods and drought.
- Improve timely financing and resources mobilization by strengthening cash-flow planning, prioritizing high-impact programmes and leveraging on donor development partnerships.
- Promote affordable access to inputs and mechanization through agricultural subsidies, bulk procurement and appropriate technologies.
- Strengthen extension, veterinary and disease-control services, including pests and diseases surveillance, vaccination, farmer training and integrated pest management.
- Strengthen farmer organizations, aggregation and market linkages to improve the farmers' bargaining power and access to reliable markets.
- Invest in value addition, storage and processing facilities for priority agricultural value chains.
- Expand access to affordable agricultural finance through SACCOs, FPOs, financial institutions and development programmes.
- Accelerate adoption of digital and modern agricultural technologies through extension, demonstrations and farmers' capacity building.
- Improve procurement and project implementation through early planning, timely procurement and stronger monitoring.
- Strengthen sustainability of development-partner projects through County co-financing, private-sector participation and clear operation and maintenance arrangements.
- Diversify markets and strengthen cross-border trade resilience through market intelligence, local aggregation and value addition.
- Improve revenue collection and accountability, particularly for the tractor hire and livestock-related services, by strengthening monitoring and enforcement.

Recent Economic Development in the Department

The County's agricultural development trajectory is increasingly shifting from the predominantly subsistence-oriented production towards a more productive, commercial, market-oriented and value-chain-based agricultural system, with emphasis on increasing productivity, improving farm households' incomes, strengthening market access and positioning agriculture as a major engine of inclusive socio-economic growth and development. In this transition, the County is placing increased focus on agricultural productivity and commercialization through expansion and intensification of production of key food, cash and oil crops, including maize, rice, cassava, finger millet, groundnuts, sesame, soybeans, sunflower and cotton.

The objective is to increase crop yields, expand production, improve the quality and competitiveness of agricultural commodities and strengthen farmers' participation in reliable

and remunerative markets. This productivity-led approach is complemented by promotion of improved agricultural inputs, extension and advisory services, farmer organizations and appropriate technologies capable of enhancing farm-level efficiency and profitability. At the same time, the County is promoting value addition and agribusinesses as important pathways for transforming agriculture from production and sale of raw commodities into a more diversified economic activity that generates higher incomes and employment.

Greater investments in processing, packaging, storage, aggregation, marketing and agribusiness incubation are expected to create additional income opportunities and stimulate the growth of local enterprises along agricultural value chains. By enabling farmers and other value-chain actors to retain a greater share of the value generated from agricultural commodities, these interventions have the potential to strengthen rural economies and increase the contribution of agriculture to the overall county's economic growth and development.

Expansion of irrigation and promotion of climate-resilient agriculture are also becoming increasingly important components of the County's agricultural development strategy. Irrigation investments, including the Lower Nzoia Irrigation Project and other related interventions, provision of opportunities to reduce dependence on unpredictable rainfall, expand productive agricultural land, increase cropping intensity and facilitate more consistent year-round production. Such investments are particularly important in the strengthening food security, stabilizing households' incomes and building the resilience of farming communities to climate variability and other environmental shocks.

The County Government is further promoting agricultural mechanization as a means of improving land preparation, increasing productivity, ensuring timely farm operations and reducing the costs associated with labor-intensive agricultural production. Improved access to mechanization services will enable the farmers to cultivate larger areas, undertake farm operations within appropriate production windows and enhance commercial viability of agricultural enterprises. Mechanization, when appropriately integrated with improved inputs, irrigation, extension services and market development, can thus contribute significantly to the transformation of farming into a more efficient and competitive economic activity.

Strengthening agricultural value chains through strategic partnerships is another important element of the County's economic outlook. Collaboration with the National Government, the development partners, private-sector actors, financial institutions, farmer organizations and other stakeholders continues to support farmers through the provision of agricultural inputs, technical assistance, market linkages, financing opportunities and value-chain developments.

Programmes such as the National Agricultural Value Chain Development Project (NAVCDP) provide important platforms for accelerating the transition towards profitable, commercially oriented and market-responsive agriculture by strengthening linkages among producers, aggregators, processors, traders and consumers. The growth of agribusiness is also creating opportunities for rural employment and income generation beyond primary agricultural

production. Increasing commercialization of agriculture can stimulate employment and enterprise development in aggregation, transportation, storage, processing, packaging, marketing, input supply and agro-dealer services.

Fishery and aquaculture development have always helped to feed the global population. However, concerns over the sustainability of industrial fishing are increasingly shaping the discussion in this agricultural sub-sector. Overfishing threatens the livelihoods of hundreds of millions of people who live from fishing. In 2025, global fish production from aquaculture came to an estimated 92 million metric tons. It came close to the 92.1 million tons produced by fishing. The production value of fish in Kenya grew to 31.1 billion Kenyan shillings (around 221.1 million U.S. dollars) in 2025. This was the highest amount registered in recent years. The rise was credited to the persistent and sustainable utilization of fishery resources, achieved by implementing more rigorous regulations on fishing techniques during breeding periods. Comparatively, the volume of fish landed in the country kept stable in 2024, compared to the previous year. (Lars Kamer, Jun 20, 2025).

The Kenyan Government's economic blueprint, Vision 2030, identified fisheries as a sub-sector with significant potential to spur national economic growth. The county government is thus exploring ways to gain economic benefits from underexploited stocks. A major target in the Blue Economy agenda is to increase national fish consumption per capita from the current 4.7 kg (an estimate which is well below the international average of about 20 kg) to 10 kg per year (KMFRI, 2018). Implementing the Kenya Vision 2030 will clearly require considerable investment. This is a chance for financial service providers to become involved in the fisheries sub-sector.

Risk to the Outlook

For the Medium-Term Fiscal Framework for the Department of Agriculture, Busia County Government, FY 2025/2026–2026/2027, the following risks are particularly relevant. They are consistent with the risks identified in recent County Government's planning documents, including climate shocks, fiscal pressures and agricultural productivity constraints.

Table 6: Medium-Term Agricultural Sector Risks and Proposed Mitigation Measures

No.	Risk	Likely Impact on Agriculture Programmes	Proposed Mitigation Measures
1	Climate change and unpredictable weather	Floods, prolonged dry spells and erratic rainfall cause crop failure(s), soil erosion, livestock losses and damage to agricultural infrastructure. Busia County's dependence on rain-fed agriculture increases this exposure.	Expand irrigation, promote drought/flood-tolerant crops, climate-smart agriculture, water harvesting and early-warning systems.
2	Flooding in low-lying areas	Floods destroy crops, livestock facilities, roads and irrigation infrastructure, particularly in vulnerable areas such as Bunyala and Teso North and South	Strengthen drainage, flood-control infrastructure, raised production systems, disaster preparedness and rehabilitation of damaged agricultural infrastructure.
3	Limited and delayed funding	Delays in disbursement of County funds may slow procurement, implementation of projects/programmes and low delivery of agricultural inputs and services.	Improve cash-flow planning, prioritize high-impact projects and strengthen resource mobilization and partnerships.
4	Rising input and production costs	High prices of fertilizer, certified seed, animal feeds, fuel, machinery and other inputs reduce farmers' profitability and limit adoption of modern technologies.	Promote subsidized inputs and mechanization, bulk procurement, soil testing and locally appropriate technologies.
5	Pests and livestock diseases	Increased pest and disease outbreaks reduce crop and livestock productivity and increase farmers' production costs. Climate variability may further intensify these risks.	Strengthen extension and veterinary services delivery, surveillance, vaccination, integrated pest management and farmer awareness.
6	Weak market linkages and price fluctuations	Farmers experience low farm-gate prices, exploitation by middlemen and unpredictable returns, reducing incentives for commercialization.	Strengthen cooperatives/Farmer Producer Organizations, aggregation centres, market information, contract farming and value addition.
7	Limited value-addition capacity	Continued sale of raw produce limits income generation and employment opportunities and exposes farmers to price fluctuations.	Invest in agro-processing, storage, aggregation and the agribusiness incubation centre. Busia identifies low value addition and inefficient farmer-to-market linkages as key sector constraints.
8	Limited access to affordable agricultural finance	Smallholder farmers and agribusinesses become unable to invest in irrigation, machinery, improved inputs and processing equipment.	Strengthen farmer organizations, link farmers to financial institutions and leverage development-partner financing.
9	Low adoption of agricultural technologies	Slow uptake of improved technologies may keep productivity below potential.	Strengthen extension service delivery, demonstration farms, digital advisory services and farmer training. Busia has already introduced an agricultural digital platform to improve access to markets, input and weather information.
10	Post-harvest losses and inadequate storage	Losses after harvesting reduce food availability and farmer incomes and often undermine the benefits of increased agricultural production.	Develop storage, drying, aggregation, cold-chain and processing facilities and train farmers on post-harvest produce handling.
11	Dependence on development partners	Changes in donor priorities, delayed disbursements or termination of programmes affect projects that supplement County financing.	Strengthen County ownership, co-financing arrangements, sustainability plans and private-sector partnerships.

No.	Risk	Likely Impact on Agriculture Programmes	Proposed Mitigation Measures
12	Procurement and implementation delays	Delayed procurement cause projects to miss agricultural seasons, particularly for inputs, mechanization and infrastructure.	Strengthen procurement planning, early initiation of tenders and project implementation monitoring.
13	Cross-border trade disruptions	Disruptions affecting movement of agricultural commodities between Kenya and Uganda reduce market access and affect producer prices. Busia's economy is strongly linked to cross-border trade.	Diversify markets, strengthen local aggregation/value addition and improve market intelligence.
14	Land fragmentation and competing land uses	Small and fragmented holdings constrain mechanization, irrigation and large-scale commercial production.	Promote farmer aggregation, cooperative production models, suitable mechanization technologies and land-use planning.
15	Weak sustainability of completed projects	Poor maintenance or inadequate community ownership may result in deterioration of irrigation, processing and other agricultural infrastructure.	Establish operation and maintenance plans, strengthen community/project committees and provide technical follow-up.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.672,352,212** against a total approved budget of **Kshs.888,356,688**, representing an overall budget absorption rate of **75.68%**

Table 7: Absorption Analysis- Smart Agriculture.

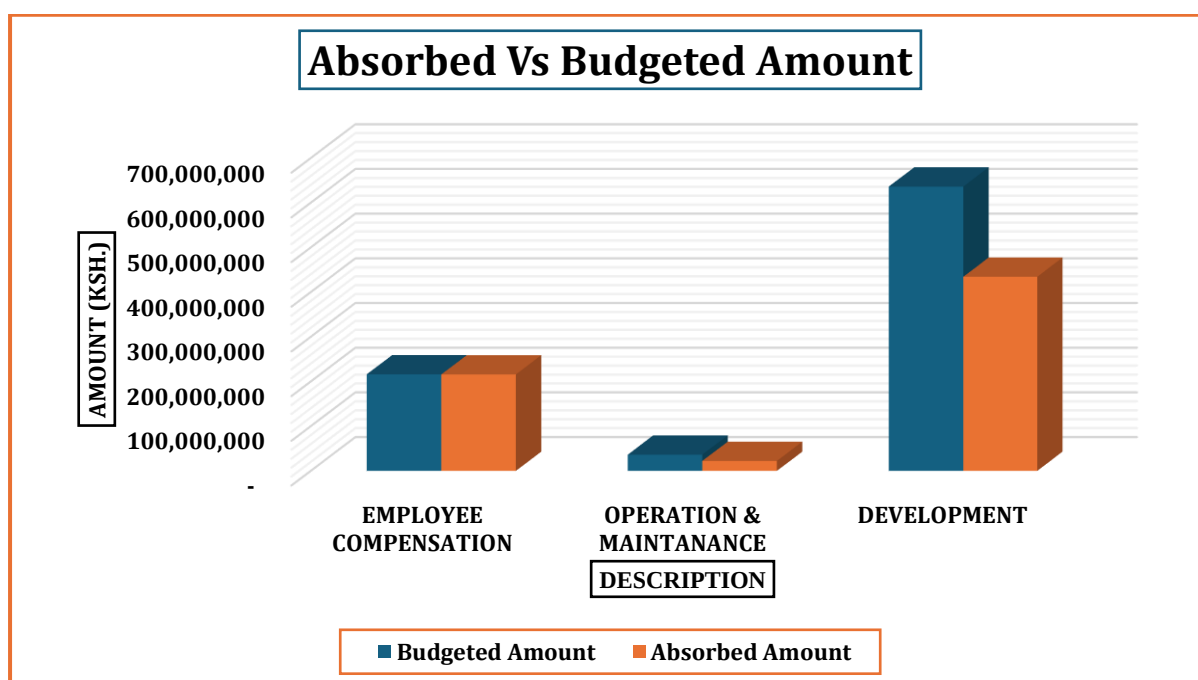
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	216,007,110	215,782,822	99.90%
2	Operation & Maintenance	36,196,950	22,241,783	61.45%
3	Development	636,152,628	434,327,607	68.27%
	Total Expenditure	888,356,688	672,352,212	75.68%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Development**, amounting to **Kshs.434,327,607**. This was followed by **Employee Compensation**, which recorded an expenditure of **Kshs.215,782,822**. The lowest expenditure was recorded under **Operations and Maintenance**, with actual expenditure amounting to **Kshs.22,241,783**.

Overall, the expenditure pattern indicates that a significant proportion of the Department's resources was directed towards development activities, while relatively lower expenditure was recorded under Operations and Maintenance.

Graph 3: Absorption Analysis- Smart Agriculture.



Source: Busia County Treasury, 2026

2. Trade, Investment, Industry and Cooperatives

The **Vision** of the department is to be a leader in the promotion of trade, cooperative movement and investment.

The **Mission** is to foster inclusive and sustainable socio-economic development through promoting investment in trade, entrepreneurship, innovations, value addition and cooperatives development.

Mandate of the directorate of trade is promoting self-reliance amongst the residents of Busia, enhancement of businesses, wealth and job creation through diversification, innovation, value addition, information sharing and creation of market linkages.

The Directorate of Industry has continued with its mandate of completing aggregation and industrial infrastructure development at Nasewa.

The Cooperative Enterprise Development Fund continues with its role of providing affordable credit and building the capacity of cooperatives to effectively discharge their mandate.

Directorates

The department comprises four (4) directorates: Trade Development, Cooperatives and Business Development, Industrialization, and Alcoholic Drinks and Drug Abuse Control. In addition, the department has three fund entities: the Trade Development Revolving Fund, the Cooperative Enterprise Development Fund, and the Busia Alcoholic Drinks Control Fund. Furthermore, the department has two units: Weights and Measures and Cooperative Audit.

The department plays a major role in promoting trade and cooperative development to enhance self-reliance through increased business, employment, and wealth creation, and to create a conducive business environment for fair trade practices. The Directorate of Trade will achieve its intended objectives through programme diversification, innovation, information sharing, market linkages, and value addition.

The Directorate of Cooperatives Development is continuing capacity building for the newly formed ward-based multi-purpose and value chain cooperative societies to spearhead implementation of ward-based rural economic revitalization.

Key Achievements

The continued completion of new markets and renovation of existing markets in the county has enhanced revenue for the county as well as provided a conducive business environment for traders to conduct their businesses. The advanced construction of the County Aggregation Centre and Industrial Park (CAIP) has created jobs for both skilled and unskilled labourers in the construction sites.

The markets offer traders a conducive and hygienic environment to conduct their businesses, and as a result business interruptions due to unfavorable weather conditions have been minimized.

Registration of new cooperative societies has widened the cooperative movement across the county.

The Corporate Audit has ensured good governance and compliance of the cooperative societies with the Cooperative Societies Act.

Weights and Measures have promoted fair trade practices and consumer protection.

Recent Economic Development Outlook

The department has realized substantial progress on the construction of the county aggregation and industrial park at Nasewa, with the project now estimated at 85% completion, positioning the county as an emerging hub for industrial investment and economic transformation. The Export Processing Zone has advanced significantly and is now estimated at 78% completion, a milestone that will enhance the county's integration into the global value chains and boost foreign exchange earnings.

In the year under review, there was improvement in consumer protection through improved fair-trade practices; the increase in consumer protection was as a result of enhanced number of legal metrology equipment examined, tested and verified from a target of 1,500 to 1,696 and 38 random inspections conducted across the county.

Through a strategic donor-funded programme, the department trained 2,150 traders, equipping local entrepreneurs with essential skills to expand market access, improve competitiveness, and drive inclusive trade growth across the county.

The department fenced Rakite market and completed construction of Siwongo market, Bukiri market, and Mayenje market. In addition, 3-door pit latrines were constructed at Buyofu market and Emalaya in Bukhaya West ward. The department also registered 32 new cooperative societies.

Risk to the Outlook

- Inadequate Budget allocation to projects that make them unattractive to bidders, hence non-responsive, leading to multiple re-advertisements and low budget absorption
- Late disbursement of funds that leads to non-implementation of the programmes and projects due to procurement bureaucracies.

Challenges

- Low capitalization for key revolving funds, particularly the Cooperative Enterprise Development Fund and Trade Development Revolving Fund.
- Procurement delays and bureaucratic processes, affecting timely project implementation.
- Low uptake of cooperative societies' products such as Sacco loans, credit and savings.
- Low repayment of cooperative enterprise loans.
- Inadequate market infrastructure that hinders trading activities.

Way Forward

- Expand resource mobilization for trade and cooperatives revolving funds beyond ordinary budgetary allocation by the county i.e seek for donor funding.
- Sensitization of residence on importance of cooperative societies and their products.
- Construction, completion and modernization of market infrastructures across the county.
- Allocate sufficient resources to the Cooperative Enterprise Development Fund and Trade Development Revolving Fund to support the cooperatives, traders and entrepreneurs.
- Improve cash-flow planning and ensure timely release of funds to facilitate uninterrupted projects/ programmes' implementation.
- Strengthen procurement planning and monitoring, including early initiation of procurement processes, to minimize delays to improve budget absorption

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.194,719,559** against a total approved departmental budget of **Kshs.350,655,629**, representing an overall budget absorption rate of **55.53%**

Table 8: Absorption Analysis– Trade.

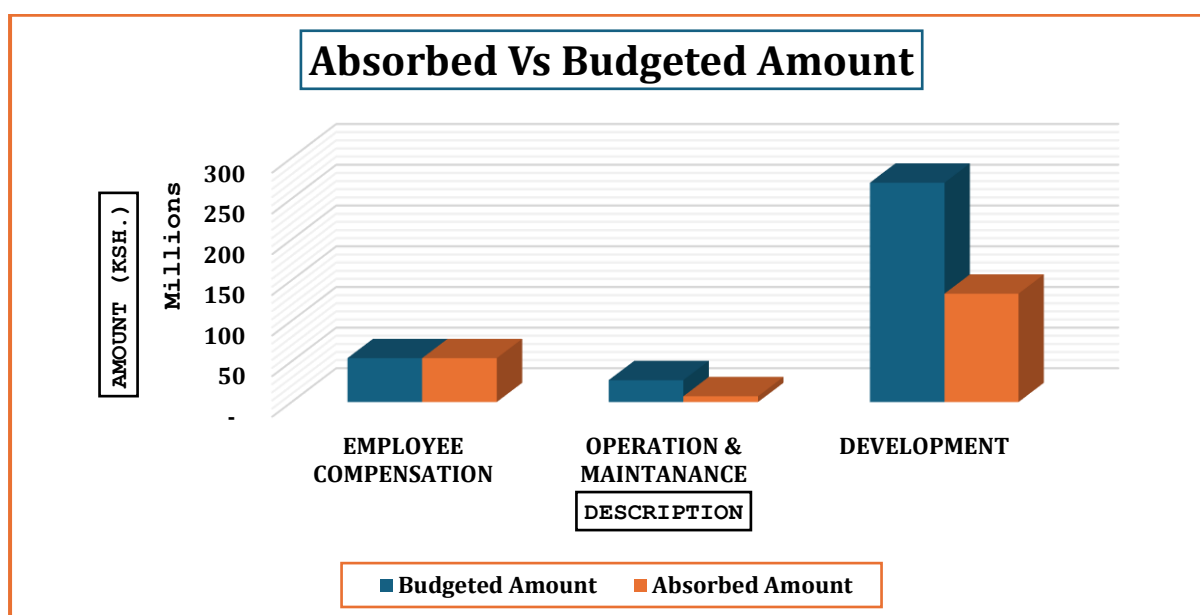
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	54,093,401	54,079,435	99.97%
2	Operation & Maintenance	26,951,407	7,180,960	26.64%
3	Development	269,610,821	133,459,164	49.50%
	Total Expenditure	350,655,629	194,719,559	55.53%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Development**, amounting to **Kshs.133,459,164**. This was followed by, **Employee compensation** which amounted to **Kshs.54,079,435** and **Operations and Maintenance** with actual expenditure of **Kshs.7,180,960**.

The expenditure pattern demonstrates that the Department directed the largest proportion of its available resources towards the implementation of development programmes and projects. However, the overall absorption rate of **55.53%** indicates that a significant portion of the approved budget remained unutilized during the financial year, highlighting the need to strengthen budget implementation, procurement planning, project execution, and expenditure monitoring to ensure timely and effective utilization of allocated resources.

Graph 4: Absorption Analysis– Trade



Source: Busia County Treasury, 2026

3. Education and Industrial Skills Development

The **Vision** of the department is quality education and training for all to transform Busia into an intelligent County on the frontiers of global progress and innovation.

The **Mission** is to provide accessible, holistic, quality education and training to all for the socio-economic and sustainable development of Busia County and self-reliance and innovativeness in an increasingly globalized environment.

The **Directorate** of Early Childhood Development Education is mandated to undertake the following tasks: supervision of ECDE curriculum implementation; assessment of growth; monitoring and development of ECDE children; collection of data for purposes of equitable distribution of resources; capacity building of ECDE teachers; and improving the physical environment of the ECDE children through construction of classes and provision of outdoor play equipment.

The Directorate of Vocational Training & Skills Development is **Mandated** to undertake Management of Vocational Training Centers through: development of policy guidelines; rules and regulations; implementation of policies; implementation of programmes supported by various development partners; supervision and management of vocational training centers staff; implementation of Quality Assurance and Standards (QAS), recommendations and promotion of ICT integration and youth innovation; management of instructors and development of human resources in the vocational centers. The main objective of the

directorate is to ensure access, quality, relevance and equity in vocational skills acquisition to the Kenyan Youth.

Key achievements

Early Childhood Development Education

In FY 2025/2026, the Directorate of Early Childhood Development Education Under the Rapid Response Initiative **(RRI) Phase 2**, constructed to completion **78** ECDE Classrooms countywide and a modern WASH facility was completed at Bumutiru RC Centre. In addition, 64 ECDE Centers were equipped with age-appropriate furniture to aid their learning activities.

The directorate in collaboration with a EIDU (a development partner) implemented ongoing digital learning modalities in 231 ECDE centers countywide. The partnership is set to continue in the medium term. The directorate further supported ECDE centers to compete in co-curricular activities specifically Music and Drama all the way to national levels in addition to facilitating capacity building on CBE/CBA in private ECDE centers.

The Directorate rolled out the School Meals and Nutrition Programme to all public pre-primary schools, resulting into increased enrollments in the ECDE centers and contributing significantly to efforts to combat malnutrition among the young learners.

Vocational Training and Skills Development

Under this directorate, the department completed KBEST culinary workshops at Namasali VTC and Busia VTC and equipping culinary workshops at Namasali VTC and Busia VTC enhancing the institutions' capacity to deliver market-driven skills training. Furthermore, through a partnership with the KCB Foundation under the KCB 2Jiajiri Programme, the Directorate recruited and sponsored 434 youths from all 35 wards across the county. The beneficiaries successfully undertook the National Industrial Training Authority (NITA) examinations and are currently awaiting graduation.

The Department launched the County Scholarship Programme; an education sponsorship initiative designed to support 95 bright and needy students from across the county. In addition, skilled trainees from the Vocational Training Centers (VTCs) in Busia County produced tables and chairs for ECDE centers, improving the learning environment while providing trainees with practical hands-on experience.

Challenges

- Inadequate ECDE infrastructure and learning facilities, including continued need for additional classrooms, furniture, WASH facilities and outdoor play equipment.
- Limited access to modern learning technologies, particularly the need to expand digital learning modalities across more ECDE centers.
- Capacity gaps among ECDE teachers, especially in curriculum implementation and adoption of Competency-Based Education and Assessment (CBE/CBA).
- Inadequate resources for ECDE learning and nutrition programmes, which may affect the quality and sustainability of support to the learners.
- Limited access to market-oriented vocational skills and modern training equipment, particularly as technology and labour-market requirements continue to change.
- Inadequate infrastructure and equipment in most Vocational Training Centers (VTCs), limiting the range and quality of skills training offered.
- Limited opportunities for youth employment and transition from training to sustainable livelihoods, despite increasing enrollment in vocational skills programmes.
- Dependence on development partners for some programmes and equipment, which may affect continuity and sustainability when external support ends.
- Limited resources for scholarships and support to needy learners, given the high number of young people requiring financial assistance.
- Need for stronger linkages between vocational training and industry, to ensure that skills acquired by trainees remain relevant to employment, entrepreneurship and emerging economic opportunities.

Way Forward

- Expand and modernize ECDE infrastructure by completing ongoing classrooms and providing adequate furniture, WASH facilities, play equipment and other essential learning resources.
- Scale up digital learning by extending digital learning modalities to more ECDE centres and improving access to ICT equipment and connectivity.
- Strengthen the teachers' capacity building through continuous professional development in CBE/CBA, curriculum implementation, child development and modern teaching methodologies.

- Sustain and strengthen the School Meals and Nutrition Programme to support enrollment, attendance, retention and improved nutrition among ECDE learners.
- Modernize and equip VTCs with relevant tools, equipment, ICT facilities and practical training workshops that reflect the current and emerging labour-market needs.
- Strengthen industry–VTC linkages through partnerships, internships, apprenticeships and practical training to improve the employability and entrepreneurial capacity of trainees.
- Expand youth skills development and enterprise support by increasing access to vocational training, mentorship, entrepreneurship training, financial linkages and programmes such as 2Jiajiri.
- Strengthen scholarship and bursary support to enable bright and needy students and trainees from disadvantaged households to access and complete education and skills training.
- Enhance partnerships and resources mobilization with the development partners, private-sector institutions and other stakeholders while ensuring greater County ownership and sustainability of programmes.
- Strengthen monitoring, quality assurance and performance tracking in ECDE and VTCs to ensure that investments translate into improved learning outcomes, relevant skills and better employment and livelihood opportunities.

Recent Economic Development in The Department

The department through the ECDE directorate has improved access to learning by constructing 78 more classrooms to increase the number of completed ECDE classrooms to 498 in Busia County. To improve quality of learning in VTC`s, several vocational training centers have been equipped with the relevant tools and equipment and ICT equipment in collaboration with the development partners.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.816,601,031** against a total approved departmental budget of **Kshs.905,891,132**, representing an overall budget absorption rate of **90.14%**.

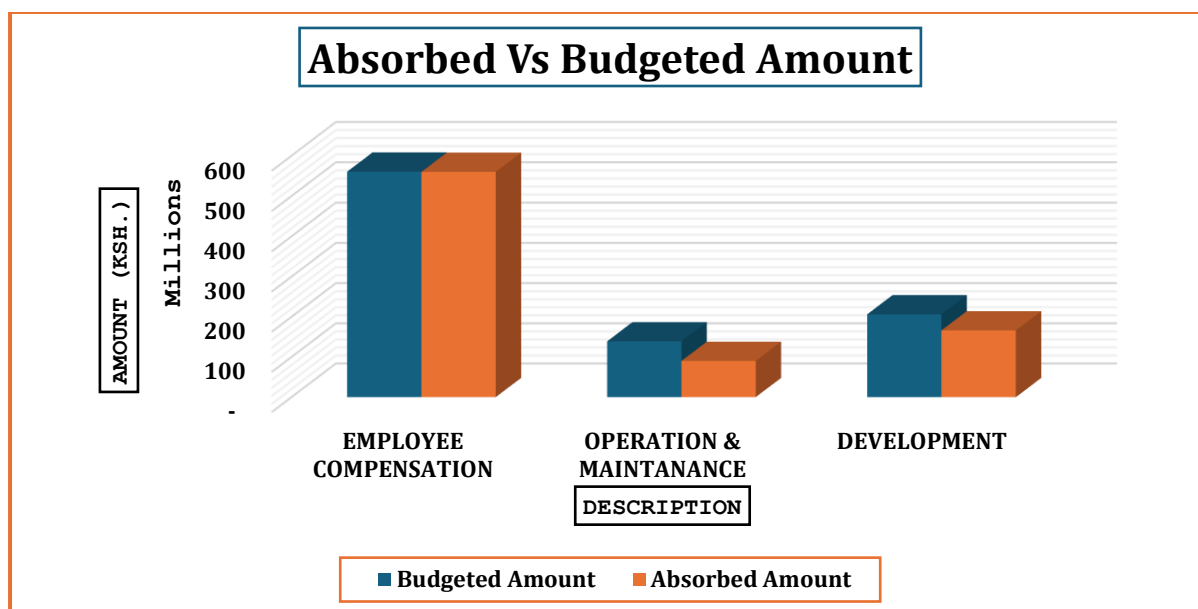
Table 9: Absorption Analysis– Education

No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	560,557,817	560,030,867	99.91%
2	Operation & Maintenance	139,111,707	90,223,135	64.86%
3	Development	206,221,608	166,347,029	80.66%
	Total Expenditure	905,891,132	816,601,031	90.14%

Source: Busia County Treasury, 2026

The highest level of expenditure was recorded under **Employee Compensation**, amounting to **Kshs.560,030,867**. This was followed by **Development**, with actual expenditure of **Kshs.166,347,031**. The lowest expenditure was recorded under **Operations and Maintenance**, which amounted to **Kshs.90,223,135**.

The overall absorption rate of **90.14%** reflects a relatively strong level of budget execution. However, the unutilized balance underscores the need for continued improvement in **procurement planning, timely project implementation, expenditure monitoring, and cash-flow management** to ensure that approved resources are fully and effectively utilized in subsequent financial years.

Graph 5: Absorption Analysis– Education

Source: Busia County Treasury, 2026

4. The County Treasury and Economic Planning

The departmental **Vision** is to be a prosperous county committed to prudent financial management, economic planning and technological innovation.

The **Mission** of the department is to provide high quality financial, economic and advisory services through efficient and effective fiscal planning, resource mobilization, budget administration, coordination, policy formulation and implementation of policies and programmes for accelerated, equitable and sustainable development for the citizens of Busia County through technological innovation

The department consists of six **Directorate** namely; Budget, Accounting Services, Supply Chain Management, Revenue, Internal audit and Economic Planning.

Economic Planning has two units i.e. the County Bureau of Statistics and Monitoring & Evaluation that focuses on economic policy formulation analysis and planning.

The Key Achievements Highlights

The departmental achievements included carrying out timely preparation of financial statements and financial reports, county budget estimates and other budget documents. It also availed technical support, advisory and guidance on the fiscal strategy development and management and other budgetary matters to all stakeholders in the county. Further it undertook automation of the revenue collection in all mapped revenue streams thus increasing the revenue collection and adoption and implementation of e-procurement.

Recent Economic Development

In the year under review, the Directorate of Economic planning continued to effectively discharge its mandate in formulation, coordination and development of plans, policies and strategies that are geared towards achieving the county's development agenda. The directorate of Economic Planning through the M&E Unit, conducted monitoring and evaluation to determine the status on implementation progress of the county's development projects/programmes.

The directorate of budget ensured that county budget estimates and other budget documents were prepared as per the legal frameworks and requirements. The Directorate of Revenue undertook automation in collection of revenue in several revenue streams in the effort to boost

its capacity for the county's resources mobilization. Accounting Services facilitated payments and production of financial reports, ensured proper financial control and accounting services for receipt and expenditure of public funds.

Audit Directorate effectively carried out internal audits and provided advisories to management on the county programmes and projects to ensure value for money is realized. Supply chain management directorate enhanced adoption and implementation of the e-procurement as a new method of procuring goods and services in line with the Public Procurement and Asset Disposal Act, 2015.

Challenges

- Lengthy procedures by the National Treasury lead to delays in exchequer disbursement of funds resulting into the county not being able to meet its commitments and obligations on time. This has led to derailment of the implementation of planned programs and accumulation of pending bills.
- Frequent amendments on the County Allocation of Revenue Act hence affecting the County's equitable share of revenue.
- Unmapped revenue streams and taxpayers database exposing us to not having the accurate details of those who have paid and those who have not paid.
- Lack of revenue forecasting tools resulting to target setting without a basis.
- Partial automation of revenue streams.
- Inadequate deployment of revenue officers.
- Internal revenue leakages.

Risk to the outlook

Lack of regulatory frameworks to operationalize the county operations for instance various Acts and Regulations on certain revenue streams are still lacking.

Way Forward

Need to strengthen the County Statistical Unit for essential data capture and analysis for county planning purposes, Further, there is equal need to strengthen the M&E Unit and systems to improve on evidence-based reporting and feedback mechanisms on the county's development implementation progress. Respective regulatory frameworks to be put in place. In addition, existing Valuation roll Act and Regulations should be implemented to positively

impact on own source revenue collection. There is also need for full automation of revenue streams.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.607,102,452** against a total departmental budget of **Kshs.655,561,143**, representing an overall expenditure absorption rate of **92.61%**.

Table 10: Absorption Analysis– County Treasury and Economic Planning

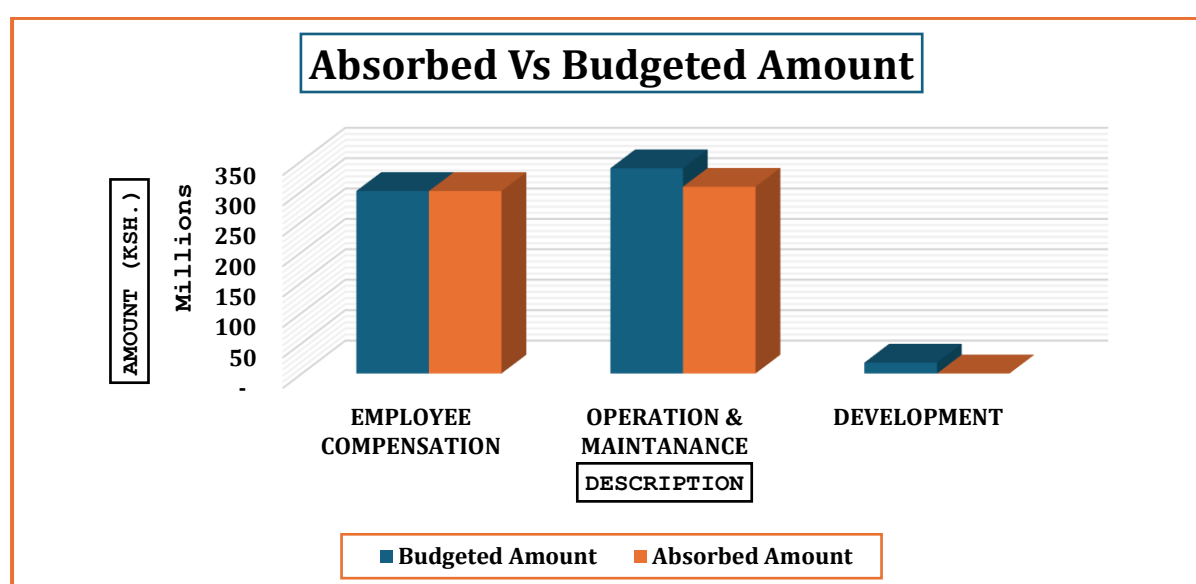
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	300,114,571	300,052,901	99.98%
2	Operation & Maintenance	337,526,916	307,049,551	90.97%
3	Development	17,919,656	-	0.00%
	Total Expenditure	655,561,143	607,102,452	92.61%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.307,049,551**, followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.300,052,901**.

The exceptionally high overall absorption rate of **92.61%**, indicates that expenditure was significantly about the original budget provision. The substantial expenditure under Operations and Maintenance and Employee Compensation suggests that priority was given to meeting essential recurrent obligations and maintaining continuity in service delivery.

Graph 6: Absorption Analysis– County Treasury and Economic Planning



Source: Busia County Treasury, 2026

5. Youths, Sports, Culture, Gender, Creative Arts and Social Services

The **Vision** of the department is to be a socially, self-driven, and empowered community.

The **Mission** is to mobilize the Busia Community for sustainable social protection, talent nurturing, heritage preservation, and creating equal opportunities for children, youth, women, PLWDs, older persons, and other vulnerable groups for holistic growth and development.

The **Mandate** of the department is to develop, promote, and preserve the Cultural Heritage of Busia County. To promote, coordinate, and enhance Youth participation in development activities. To self-sustain older persons and PLWDs and allow them to participate in socio-economic development. To create an enabling environment for the development and management of sporting and recreational activities. To explore the unexploited local tourism potential. To ensure proper Child Care and Protection across the County.

The Department has five directorates: Youth, Sports, Tourism, Gender, and Culture & Social Services. It is mandated to mobilize the Busia Community for sustainable social protection, talent nurturing, and creating equal opportunity for youth, women, PLWDs, older persons, and other vulnerable groups for holistic growth and development. The department also ensures that women, men, girls, and boys in Busia County enjoy their full rights as individuals and are equal partners in shaping the economic, political, social, and cultural development of the County.

Recent Economic Development Outlook

The department made significant progress across its directorates, building on the County's development agenda. During the FY 2025/26, the Department recorded significant achievements across its various directorates as follows

Key Achievements

Directorate of Culture

During the Financial Year 2025/26, the **Directorate of Culture** participated in the Kenya Inter-Counties Sports and Cultural Association (KICOSCA) Games held in Siaya with a delegation of 211 participants. The county was represented in the tug of war for both men and women, football, choir, traditional dance, Scrabble, and Ajua, with the Ajua and Scrabble teams emerging as overall champions. The Directorate also participated in the East African Local Authorities Sports and Cultural Association (EALASCA) Games that were held in Mombasa,

where the county's Ajua and Scrabble teams retained their championship titles at both the national and East African levels.

Directorate of Social Services

In collaboration with the Food and Agriculture Organization (FAO), the Directorate developed the Busia County Social Protection Policy, which is currently awaiting Cabinet approval. To support its implementation, the directorate developed a Social Protection Action Plan, which has been approved and is currently being piloted in Samia and Bunyala sub-counties. The pilot programme is benefiting 400 vulnerable households, representing approximately 1,500 beneficiaries. Additionally, through partnership with the ICHAD–African Inland Church, the directorate developed the Busia County Disability Inclusion Bill, that is at Cabinet level. The directorate further coordinated the county's national celebrations, including Madaraka Day at Malaba Stadium in Teso North Sub-County, as well as Mashujaa Day and Jamhuri Day celebrations.

Directorate of Children

The Directorate of Children commemorated the Day of the African Child in collaboration with ICHAD, Baridi kwa Baridi, the Ministry of Children, and other partners that attracted approximately 1,000 participants from across the county and focused on promoting children's rights, welfare, protection, and inclusion.

The Directorate of Youth Affairs

The Directorate of Youth Affairs trained 8,400 youths on employability, entrepreneurship, digital, technical, and agri-preneurship skills in collaboration with the African Centre for Women, Information and Communications Technology (ACWICT). The directorate also organized youth talent extravaganza that engaged 1,020 youths, developed youth development policy that is at Cabinet awaiting approval and finally participated in the Youth Devolution Conference that was held in Kajiado together with youth representatives from all the sub-counties

The Directorate of Sports

The Directorate of Sports participated in the Kenya Youth Inter-County Sports Association (KYISA) Games held in Laikipia, where Busia County was represented by ladies' volleyball and men's football teams comprising a total of 70 participants. The directorate also organized

the Governor's Cup Tournament, which attracted 16 teams from across the county where Teso Central emerged as the men's champions.

The directorate coordinated ward-level sporting activities across all the county wards, engaging approximately 1,000 participants and promoting community participation while enhancing talent identification at the local level. During the period under review the directorate also developed the County's Sports Policy, which is currently at Cabinet Level. In collaboration with the National Olympic Committee of Kenya (NOC-K), the directorate trained 17 coaches and teachers in handball and basketball.

The Directorate of Tourism

The Directorate of Tourism mapped tourist attraction sites, and developed Tourism Dashboard and Web Map, hosted the International Day of Museums and the World Tourism Day celebrations at Kakapel museum, conducted a two-day capacity-building workshop for 50 special group weavers from Magombe in Bunyala Central and partnered with KWS to establish its office in Busia County to advance wildlife conservation and management.

The Directorate of Gender

The Directorate of Gender commemorated the International Women's Day 2026 at Moody Awori Stadium in Samia Sub-County, bringing together more than 500 women to raise awareness on gender equality, women's rights, and socio-economic empowerment. The Directorate further trained 50 members of the Beach Management Units (BMUs) at Marenga Beach on gender mainstreaming. Additionally, 15 Farmers Service Centres received capacity-building on integrating gender considerations into agri-food systems to enhance equitable participation, improve productivity, and strengthen inclusive agricultural development across the county.

Challenges

- Late disbursement of funds, which delays or interrupts the implementation of programmes and projects.
- Limited resource envelope, resulting in underfunding, delayed implementation and incomplete projects.
- Inflationary pressures, which increase the cost of goods, services and construction materials and may require contract variations.

- Revenue collection shortfalls, particularly from the groups registration and other potential revenue streams.
- Delayed operationalization of cultural centres and stadia, limiting their potential to generate revenue and support economic activities.
- Delayed payment of suppliers and contractors, leading to reduced confidence in County Government procurement and limited competition.
- Inadequate infrastructure and facilities for sports, cultural activities, tourism and social services, limiting the full realization of the Department's potential.
- Limited resources for youth, women, PLWDs, children and other vulnerable groups, which may constrain the scale and sustainability of empowerment and social protection programmes.
- Need for stronger commercialization of sports, culture and tourism assets to enhance their contribution to employment, income generation and local economic development.

Way Forward

- Strengthen resource mobilization and revenue collection through improved enforcement, public awareness, streamlined group registration and renewal processes.
- Ensure timely and predictable funding through improved cash-flow planning and prioritization of high-impact programmes and projects.
- Operationalize the Busia County Stadium and Community Cultural Centres as revenue-generating and community development facilities.
- Improve utilization of social halls, offices and other County facilities to increase occupancy, service delivery and revenue generation.
- Establish realistic revenue targets for all identified revenue streams and strengthen monitoring to minimize leakages.
- Prioritize and phase out projects according to available resources, ensuring completion of ongoing high-impact projects before initiating new ones.
- Strengthen partnerships with the development partners, private-sector organizations and national institutions to mobilize additional resources for youth empowerment, social protection, sports, tourism and culture.
- Strengthen sports, tourism and cultural commercialization through talent development, events, promotion of tourist attractions, cultural products and appropriate public-private partnerships.

- Enhance support for vulnerable groups through effective implementation of the Social Protection Policy and Action Plan, youth programmes, gender initiatives, disability inclusion and child protection interventions.
- Improve supplier and contractor payment management to reduce pending bills, restore confidence among service providers and promote competitive procurement.
- Strengthen monitoring and evaluation of departmental programmes to ensure that investment in sports, culture, tourism, social protection and youth development deliver measurable socio-economic benefits.

Risks to the Outlook

Several risks may affect the successful implementation of the Department's programmes and projects in the medium term:

- Late Disbursement of Funds: Delays in transfers from the National Treasury remain the greatest risk. When funds are not received on time, implementation of programmes and projects is delayed or halted altogether, undermining public service delivery.
- Inflationary Pressures: Rising inflation increases the cost of goods, services, and construction materials. This often leads to contractors, suppliers, and service providers to demand contract variations or additional payments, inflating the projects' costs and forcing the Department to postpone or delay on commencement of some programmes and or project's activities.
- Limited Resource Envelope: The Department's funding needs are often higher than the allocations provided. Resource constraints result in underfunding of planned programmes, leaving many projects incomplete or uninitiated.
- Revenue Collection Risks: The fiscal outlook remains vulnerable to revenue shortfalls. Weak enforcement, underperformance in key revenue streams such as group registrations, and delays in operationalizing cultural centres and stadia expose the framework to serious funding gaps.
- Supplier Payment Risks: Delays and non-payment to suppliers have led to reduced confidence in doing business with the County Government. Many suppliers now shy away from bidding for County related jobs/works and projects limiting their competition and potentially increasing the cost of goods and services. This undermines projects' delivery, slows economic activity, and exposes the fiscal framework to further strain through pending bills and reputational risks.

Way Forward

- The Department shall: Enhance revenue mobilization for registration and renewal of groups through increased public awareness and streamlined registration processes.
- Improve utilization of halls and offices to attract more clients and increase occupancy.
- Operationalize Busia County Stadium and Community Cultural Centres as revenue-generating facilities.
- Establish realistic and clearly defined revenue targets for all potential revenue streams.
- Strengthen monitoring and enforcement of revenue collection to minimize leakages and improve compliance.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.223,953,747** against a total approved departmental budget of **Kshs.296,299,873**, representing an overall budget absorption rate of **75.58 %**.

Table 11: Absorption Analysis– Sports

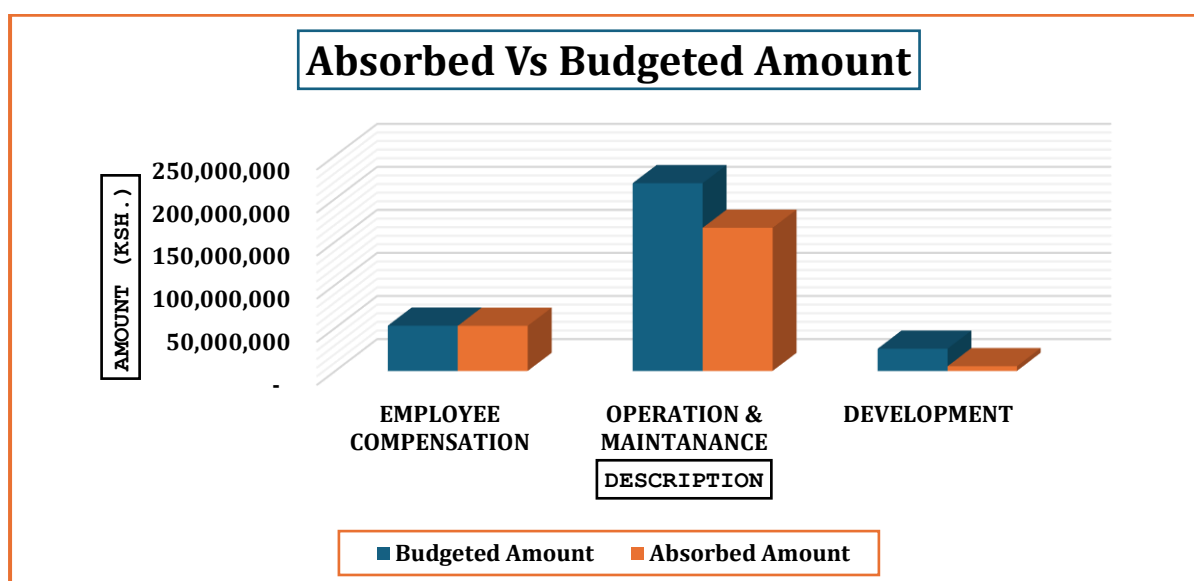
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	52,513,808	52,333,826	99.66%
2	Operation & Maintenance	217,996,034	166,134,548	76.21%
3	Development	25,790,031	5,485,373	21.27%
	Total Expenditure	296,299,873	223,953,747	75.58%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.166,134,548**, followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.52,333,826**. The lowest expenditure was recorded under **Development**, with expenditure amounting to **Kshs.5,485,373**.

The expenditure pattern indicates that the Department's resources were predominantly utilized to support operations and maintenance activities, reflecting the need to sustain day-to-day service delivery, operational requirements, and institutional functions. The relatively high absorption rate of **75.58%** demonstrated a strong level of budget execution during the financial year

Graph 7: Absorption Analysis– Sports



Source: Busia County Treasury, 2026

6. Transport, Roads and Public Works

Vision: Quality, reliable, sustainable and resilient infrastructure to provide access to safe affordable public transport systems.

Mission: To expand public transport and build infrastructure with special attention to the needs of women, children and people living with disability (PLWDs) through production of appropriate designs and increased investment.

Mandate: The directorate of transport, roads and public works are mandated to provide an enabling and supportive environment for investment in the county and sustain standard road network and public infrastructure for sustainable development. It provides both technical and supervisory assistance to other departments in the implementation of projects and programmes.

Achievements

Directorate of Roads

A total of 346 kilometers of county roads were subjected to routine maintenance across all the seven sub-counties. The directorate also upgraded an additional 2.4 kilometers of county roads to bitumen standards from Takhumba to Mumbaka.

Directorate of Public Works

Provided technical support to county infrastructure development through the design and supervision of public works projects. Initiated the construction of 28 box culverts. Of the 28 culverts, 21 were completed.

Directorate of Transport and Fleet Management

Supported the implementation of infrastructure programmes by undertaking regular servicing and preventive maintenance of road construction equipment.

Risk to the Outlook

- Machines susceptible to breakdown due to wear and tear. The aging fleet equipment leads to high operating costs that require enhanced budgetary provisions.
- Changes in weather conditions affecting areas such as flooding in Bunyala and parts of Teso North/ South sub counties that make it difficult to implement projects.
- Inadequate supervision vehicles to enable engineers to go to the field. There are only two (2) vehicles for the department.
- Cumulated pending bills that cause intermittent fuel supply from suppliers leading to dragging of implementation of the works planned.

Challenges

- Inadequate budgetary allocation compared to service delivery needs.
- Missing staff cadres e.g., surveyors, GIS Officers and ICT Officers.
- Lack of axle load control (weigh bridge) on county roads, leading to overloading, especially by cane transporters and building materials transporters resulting to premature failure of gravel roads.
- Sand harvesting along road sides leading to undermining of roads and drainage structures e.g. culverts, leading to severe destruction of roads by surface run-off and expensive remedial works.
- Ageing fleet of road construction equipment leading to high operating costs and frequent breakdowns that require enhanced budgetary allocation to maintain them and to purchase new fleet.
- Litigation issues on road reserve-related disputes that stall or delay projects.
- Inadequate dedicated vehicles for field work, hindering supervisory work.

- Low Uptake of Advertised Projects Due to Pending and Unpaid Bills, issues leading to supplier apathy.

Way Forward

- Leveraging on technology: The directorate proposes to equip technical staff in the directorate with Computer Aided Design skills and adapt computer aided design (CAD) software such as AutoCAD & Civil 3D for design, documentation of roads and development of quantities.
- Human Resource Development: The directorate will endeavor to implement an organizational structure and authorized establishment to achieve the desired staffing complement levels with a clear reporting structure.
- Client Department Representation in Design Process: Going forward, the plan is to invite client departmental representatives to participate in the design processes with an aim to improve the quality of designs. This collaborative approach will ensure that designs meet the client requirements and expectations.
- Standard Design Templates and Cost Estimates: Developing standard design templates and cost estimates will help to prevent under-budgeting of the projects. This systematic approach will provide a reliable basis for budgeting, enhancing financial planning and projects' feasibility.

The key priority areas in the medium term will be;

- Routine Maintenance of the County Roads (under CRIIP).
- Upgrading of the priority County Roads to Bitumen standards.
- Construction of minor and major drainage (Bridges & Box Culverts) Countywide.
- Emergency roads and public works, road and water safety campaign programme, construction and equipping of material laboratory.
- Maintenance of county machinery and equipment.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.586,951,775** against a total approved departmental budget of **Kshs.945,493,517**, representing an overall budget absorption rate of **62.08%**.

Table 12: Absorption Analysis- Transport, Roads and Public works

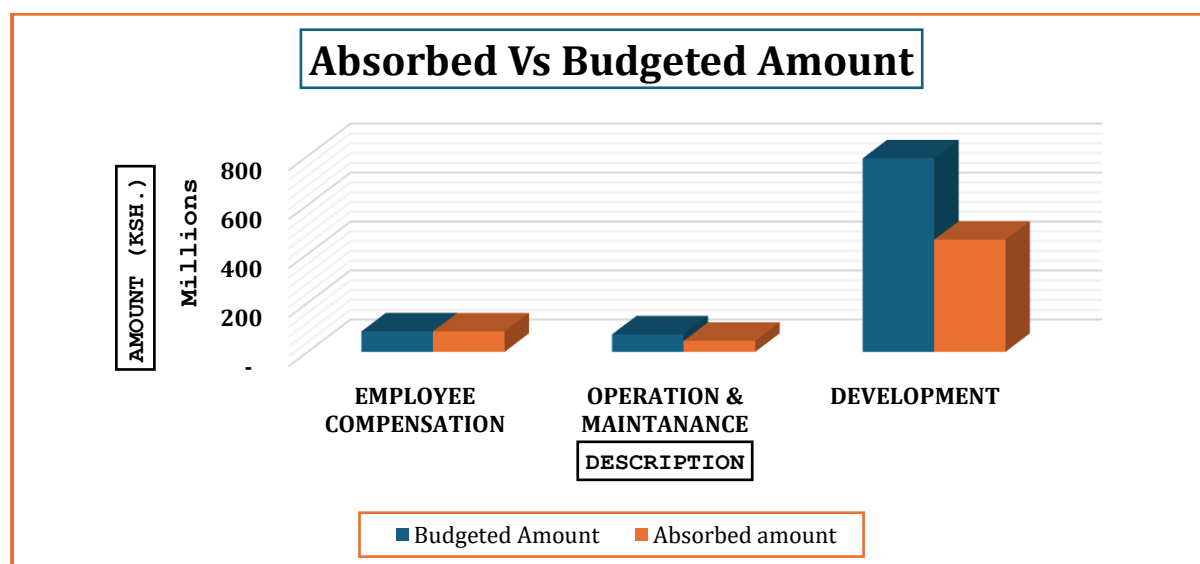
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	83,555,152	83,383,872	99.80%
2	Operation & Maintenance	71,349,169	45,165,699	63.30%
3	Development	790,589,196	458,402,204	57.98%
	Total Expenditure	945,493,517	586,951,775	62.08%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Development**, amounting to **Kshs.458.40 million**. This was followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.83.38 million**. The lowest spending was record under **Operations and Maintenance**, with actual expenditure of **Kshs.45.17 million**.

However, the overall absorption rate of **62.08%** indicates that a considerable proportion of the approved budget remained unutilized during the financial year. This may have been occasioned by delays in procurement processes, slow implementation of planned projects, delayed release of funds, and challenges in processing and settling expenditures.

Graph 8: Absorption Analysis- Transport, Roads and Public works



Source: Busia County Treasury, 2026

7. Public Service Management and Administration

The **Vision** of the department is to be a benchmark for high performing, dynamic and ethical public services.

The **Mission** is to facilitate a safe environment for effective and productive work force that guarantees personal growth and sustainable development.

The department is composed of four (4) **Directorates** namely; Human resource management, Security & Enforcement, Communication and Public Administration.

The department is **mandated** to ensure maximum utilization and development of human resources to embrace modern service delivery, creating a harmonious working relationship between management and employees, ensuring conformity to relevant laws and regulations, streamlining and automating management systems, ensuring effective administrative services.

Key Achievements

The Department registered significant progress in implementing its programmes and achieving strategic objectives.

- Public Administration directorate achievements included strengthening decentralized governance structures, enhancing administrative coordination, and improving the monitoring of government programmes, which contributed to more effective and efficient service delivery across the county.
- The Department also strengthened stakeholder collaboration, improved communication through enhanced public information management, and promoted greater citizen engagement by improving public participation and civic education initiatives.
- The Directorate of Human resource management (HRM) further strengthened institutional capacity by developing key governance and human resources frameworks, including the Performance Management Framework, Internship Policy, Record Management Policy, Record Classification Scheme, and Enforcement Policy. These initiatives provided a stronger policy and administrative foundation for effective service delivery, accountability, and records management.
- In addition, the directorate of Human Resource Management enhanced staff welfare through the provision of medical insurance cover to all county staff and facilitated the disbursement of staff loans and mortgage facilities.

- To support effective communication, the directorate of communication procured camera equipment for communication officers, while a comprehensive payroll audit was undertaken to strengthen payroll integrity and improve accountability in human resources management.

Challenges

The Department continues to face several institutional challenges that affect effective service delivery and implementation of planned programmes.

- These include inadequate human resources, delayed staff promotions, insufficient operational funding, and limited transport and mobility facilities.
- Weak office infrastructure and limited digitalization that constrain efficient operations and access to modern service-delivery systems.
- In addition, low public awareness and inadequate capacity building limit effective engagement and implementation of departmental programmes.
- The Department faces high political and community expectations, inadequate resources for monitoring and evaluation, and challenges in meeting statutory obligations, including payment of staff gratuity.

Way forward

- The Department will address these challenges by strengthening staffing levels, facilitating timely staff promotions, and increasing operational funding to support effective programme implementation.
- Transport and office infrastructure will be improved, while digitalization and automation of services will be enhanced to improve efficiency and accountability.
- The Department will strengthen public awareness, staff capacity building, monitoring and evaluation, and stakeholder engagement to improve service delivery and manage community expectations.
- Adequate resources will be provided to meet statutory obligations, including staff gratuity, while stronger financial planning, compliance and monitoring mechanisms will be put in place to ensure sustainable implementation of departmental programmes.

Recent Economic Development Outlook

The Department, through the Directorate of Human Resource, implemented the Salaries and Remuneration Commission (SRC) recommendations on salary increments for County staff for FY 2024/2025 and is working towards implementing the recommendations for FY 2025/2026.

Risk to the Outlook

- Inadequate budgetary allocation that may constrain staff promotions, capacity building and professional development in future.
- The absence of comprehensive career progression and succession planning schemes across all staff cadres poses a significant risk to employee motivation, retention and continuity of service delivery. This requires urgent attention through adequate budgeting and establishment of clear career development and succession frameworks.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.852,605,760** against a total approved departmental budget of **Kshs.1,284,977,917**, representing an overall budget absorption rate of **66.35%**.

Table 13: Absorption analysis – Public Service and Administration.

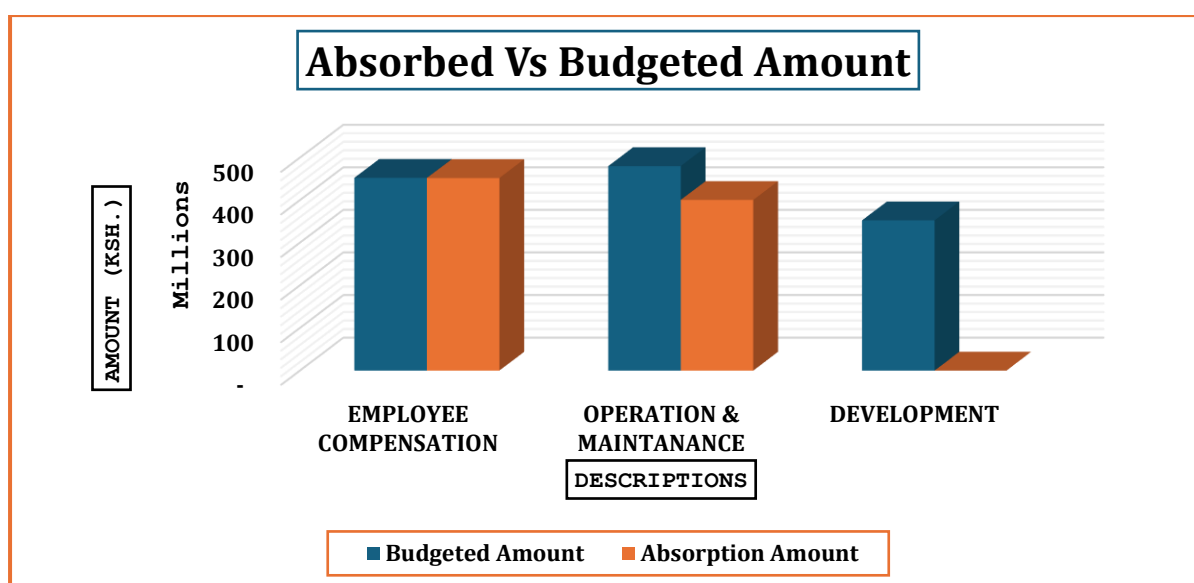
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	452,457,757	452,090,896	99.92%
2	Operation & Maintenance	480,020,160	400,514,864	83.44%
3	Development	352,500,000	-	0.00%
	Total Expenditure	1,284,977,917	852,605,760	66.35%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Employee Compensation**, which recorded actual expenditure of **Kshs.452,090,89** followed by **Operations and Maintenance** amounting to **Kshs.400,514,864**.

The expenditure pattern indicates that the Department's resources were predominantly utilized to finance **Employee Compensation**, which accounted for the largest share of actual expenditure. This reflects the priority accorded to sustaining personnel-related obligations, meeting operational requirements, and ensuring continuity in service delivery. Operations and Maintenance also recorded a substantial level of expenditure, reflecting the Department's day-to-day activities.

Graph 9: Absorption analysis – Public Service and Administration.



Source: Busia County Treasury, 2026

8. Lands, Housing and Urban Development

The **Vision** is to be excellent in Land and urban management and in provision of affordable and quality housing for sustainable development.

The **Mission** is to facilitate improvement of the livelihoods of the people of Busia through efficient land administration, equitable access, secure land tenure, suitable management of land resources, and access to adequate housing.

Mandate

To facilitate improvement of livelihoods in the County through efficient land administration, equitable access and sustainable management of land and land-based resources, and to foster and manage the process of sustainable urbanization and urban development in the County.

Directorates

Directorate of land administration; The directorate is responsible for management of public land. In consultation with the national government, the directorate is mandated to manage land records, land conflict resolutions and issuance of title deeds.

Directorate of Survey; The directorate is mandated to surveying of all public lands, demarcation and maintenance of land boundaries.

Directorate of Physical Planning; It prepares land use plans such as plans for markets and development controls.

Directorate of Housing; The directorate deals with management and maintenance services of government houses, county offices in terms of renovation and refurbishment. Give technical advisory services on county government offices and training staff members in Appropriate Building Materials and Technology (ABMT).

Directorate of Urban Development; It ensures proper urban planning and provision of technical advisories to the department on management of urban centers.

It's imperative to note that in the year under review for the CBROP, the two municipalities of Busia and Malaba were directorates in the department of lands. However, with coming into force of Cities and Urban Act 2011 (Amended 2016 & 2019) and the Municipality Charters, (Busia Municipality Charter, gazetted in 2018 and Malaba Municipality gazetted vide gazette notice No. 3247 of 7th April 2020), the two municipalities were accorded full autonomy and operate as independent departments. Going forward, the financial 2026/2027 the entities will prepare independent budgets and reports.

Recent Economic Development Outlook

One of the significant economic developments in the department has been establishment of a GIS Laboratory (lab) that will facilitate collection, management and analysis of spatial and geographic data. Additionally, the department in collaboration with the National Government has also prioritized the development of affordable housing to address the growing demand for residential units, driven by urbanization and population growth.

Risk to the Outlook

- Budget cuts due to changes in priorities.
- Delay in disbursement of funds.

Challenges

- Inadequate Staffing and Capacity
- Lack of continuous training on new systems and policies.
- Lack of tools (e.g., vehicles, computers, printers) for field officers.
- Budget Cuts due to changes in priority.
- Delay in the disbursement of funds

Way Forward

- Strict adherence to the set priority from the onset of budget cycle
 - Strengthening departmental monitoring and evaluation.
 - Introduction of message encryption to plot owners.
- Availability of vehicles to be used by the field officers.

8.1 Busia Municipality

Busia municipality oversees functions within its jurisdiction and undertakes other functions as may be delegated by the County Government as enshrined in the Urban Areas and Cities Act. The Municipality also serves as the Headquarters of Busia County and plays a major functional role as the gateway to Uganda and the Central African countries and the Greater Lakes region. It is a major Commercial hub in the county.

Recent Economic Development

The Municipality has prioritized construction of Cabros (pathways) at the Fish Market Area, Busia Border's Periphery and the Matatu Stage Area.

8.2 Malaba Municipality

Malaba Municipality is the second and most recently classified urban centre in Busia County and covers four administrative wards, i.e Malaba North, Malaba Central, Malaba South and Amukura West. The Municipality covers approximately 129,179 square kilometres. As per the 2019 census. The Municipality hosts approximately 92,010 people, and it is projected that the population will rise to 125,447 by 2027.

The Municipality charter was issued on 27th March 2020 and gazetted vide gazette notice No. 3247 of 7th April 2020. As envisaged under section 20 of the Urban Area and Cities Act, 2011 (Amended 2016 and 2019) and the Municipality Charters.

Key Achievements

In the financial under review, Malaba Municipality prepared a feasibility study for the installation of streetlights in Malaba town and the construction of ablution blocks at Malaba and Amagoro.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.204,044,871** against a total approved departmental budget of **Kshs.445,069,377**, representing an overall budget absorption rate of **45.85%**.

Table 14: Absorption Analysis– Lands

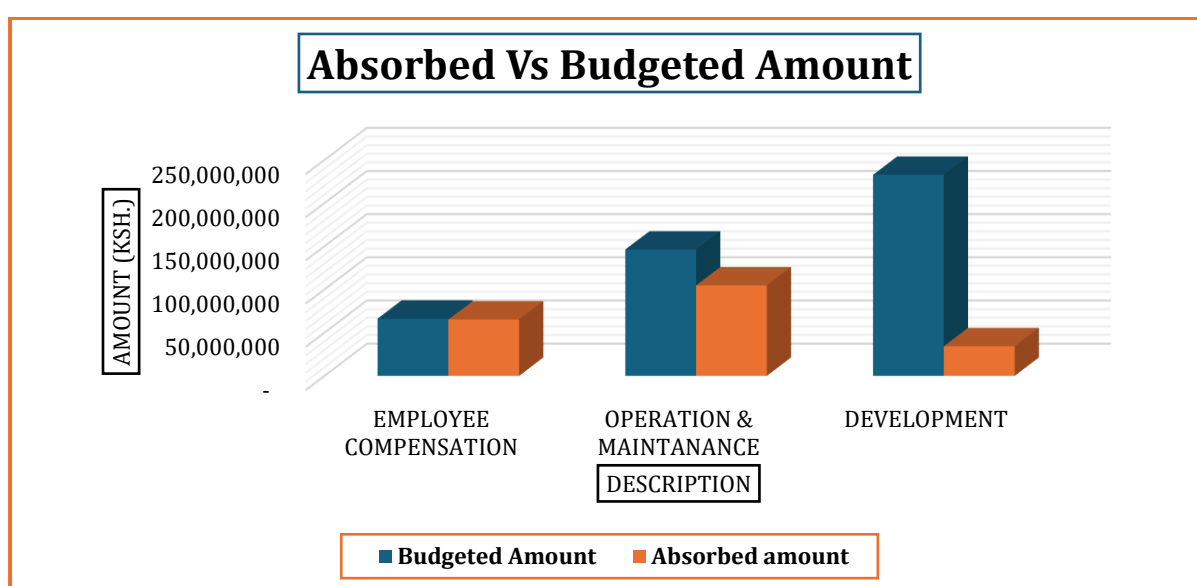
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	66,175,063	65,192,122	98.51%
2	Operation & Maintenance	146,147,327	104,617,589	71.58%
3	Development	232,746,987	34,235,160	14.71%
	Total Expenditure	445,069,377	204,044,871	45.85%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.104,617,589**, followed by **Employee Compensation**, which amounted to **Kshs.65,192,122**. The lowest spending was recorded under **Development**, with actual expenditure of **Kshs.34,235,160**.

The overall absorption rate of **45.85%** indicates that a substantial proportion of the approved departmental budget remained unutilized during the financial year. The relatively low absorption had been attributed to delays in the implementation of planned programmes and projects, procurement challenges, delayed release of funds, and constraints in processing and settling expenditures.

Graph 10: Absorption Analysis– Lands



Source: Busia County Treasury, 2026

9. Water, Environment, Irrigation, Natural Resources, Climate Change and Energy.

The **Vision** is reliable access to clean, safe water and energy, and a secure environment for sustainable development.

The Department's **Mission** is to ensure sustainable management of water, environment, irrigation, natural resources and energy, fostering resilience against climate change and securing a prosperous future for all.

The Department is composed of six **Directorates**, namely: Water and sewerage, Irrigation and Land Reclamation, Environment, Natural Resources, Climate Change and Energy.

The department is **Mandated** to provide sustainable water and sanitation services, develop irrigation systems to enhance food security, conserve natural resources and the environment, strengthen climate change adaptation and mitigation, and promote renewable energy for sustainable development.

Key Achievements

The Department implemented projects to improve water and energy services, climate resilience, environmental conservation and livelihoods.

The Directorate of water developed 5.1 km of sewer lines in Malaba Town through the National Government support under the Lake Victoria North Water Works Development Agency. Completed projects by the Directorate included repair and maintenance of water infrastructure and solar lights, borehole and shallow well development.

The Directorate of Environment planted 30,000 trees through partnerships with stakeholders and the Kenya Forest Service; established the trees nurseries at Water Departments HQs and Bukhayo East, and spring rehabilitation in Bunyala. The Directorate of Irrigation and Land Reclamation Services established One irrigation scheme as planned (a ward-based project in Angurai East Ward).

Energy Development: Rural electrification performed strongly, with 984 households connected collaboration with NGCDF. Street lighting far exceeded the target, with 359 grid/solar units installed and maintained against 89, while 18 solar mass light units were installed against a target of 21; these were executed in partnership with NGCDF, KPLC, and the Rural Electrification and Renewable Energy Corporation (REREC).

Under FLLoCA, ongoing projects include climate-resilient water supply and solarization, rehabilitation of water systems of Mabunge Community Borehole, Bwamani Primary borehole among others, installation of hybrid power systems at Port Victoria Sub County Hospital, construction of climate-proof infrastructure, tree growing and school greening, and catchment conservation in various parts of the County.

Challenges

The department's activities were hindered by;

- High cost of electricity due to over-dependence on energy from the grid for pumping.
- Governance problems among the water service providers and water management committees.
- Destruction of transmission and distribution pipelines by other actors like road construction.
- Global climatic changes affecting the entire human settlement, pollution and encroachment in the ecosystems.
- Poor land use practices and land degradation, Irrigation, environment, natural resources & energy and E-waste due to digital migration.
- Inadequate forest cover due to deforestation, unsustainable utilization and extraction of natural resources.
- Lack of the county climate change adaptation and mitigation plan and Vandalism of energy infrastructure arising from installed equipment.

Way Forward

The Department will;

- Strengthen solarization and renewable energy solutions for water pumping to reduce electricity costs, while improving governance and capacity building for water service providers and management committees.
- Coordination with road contractors and other agencies will be enhanced to protect water infrastructure from damage.
- The Department will strengthen climate change planning, environmental enforcement, ecosystem restoration, forest cover, and sustainable land and natural resource management, including measures to address pollution, e-waste and land degradation.

- Development and implementation of a County Climate Change Adaptation and Mitigation Plan will guide climate-resilient investments.
- Stronger monitoring, community awareness and security measures will be adopted to prevent vandalism of energy and water infrastructure and ensure sustainability of installed facilities

Recent Economic Developments in the Department

- Infrastructure for Economic Growth: The county is investing in major water projects, such as the Kshs.150 million Port Victoria–Sisenye, Rwambwa Water Supply Project, to provide safe water to over 5,000 households to support local economic growth.
- Solar-Powered Water Systems: The county is expanding solar-powered boreholes to reduce electricity costs, such as upgrading the Ebwicha Borehole and Mayenje networks. The savings are being used to extend water supply to more communities.
- Climate Funding (FLLoCA): The county is using FLLoCA funds to build climate-resilient water and environmental projects that are being implemented to strengthen community's resilience to droughts and floods.
- Expanding Water Coverage: Water coverage is currently **above 56%**. The county aims to increase it to **80%** by expanding piped portable water systems, constructing earth dams and water pans, and supporting irrigation for youth and women farmers.

Risk to the Outlook

- Climate Shocks & Hazards: Recurrent flooding in low-lying zones (e.g., Bunyala and some parts of Teso North) and erratic dry spells damage pipelines, contaminate rural water springs and degrade vital water catchment ecosystems.
- High Infrastructure Energy Costs: A heavy reliance on the national grid for hydro-electric power leads to high tariff bills and operational disruptions during power outages.
- Operational Inefficiencies: Rapid unplanned physical settlements outpace piped networks, leaving depleted rural water schemes non-functional and underutilized.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.400,617,934** against a total approved departmental budget of **Kshs.989,648,260**, representing an overall budget absorption rate of **40.48%**.

Table 15: Absorption Analysis– Water

No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	94,152,036	93,356,845	99.16%
2	Operation & Maintenance	53,277,367	35,014,317	65.72%
3	Development	842,218,857	272,246,772	32.32%
	Total Expenditure	989,648,260	400,617,934	40.48%

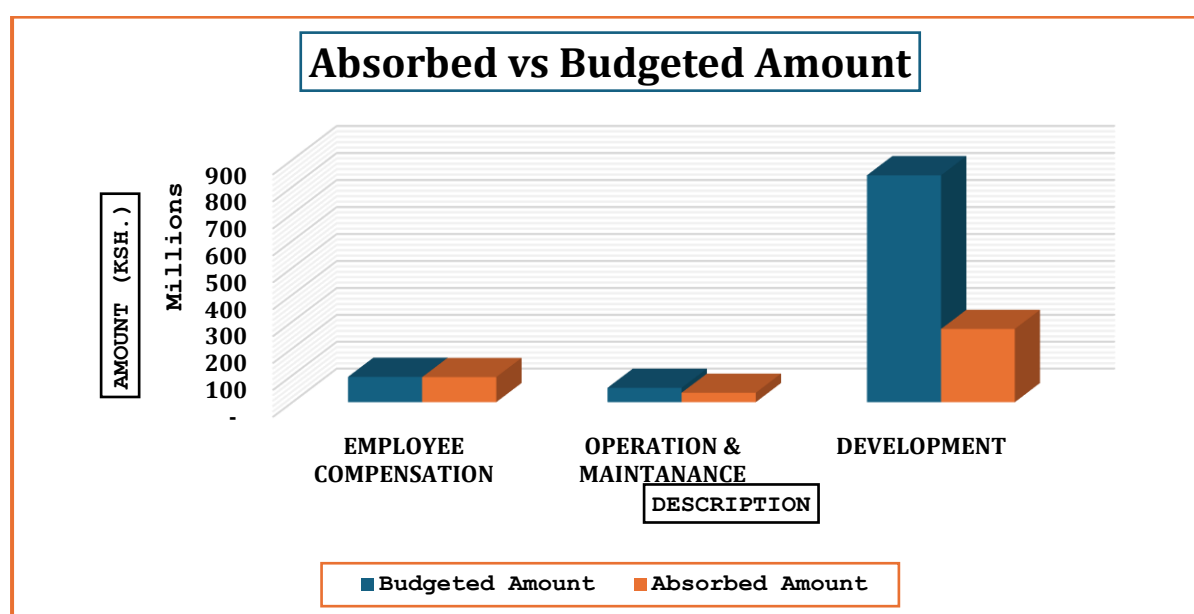
Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Development**, amounting to **Kshs.272,246,772**. This was followed by **Employee Compensation**, amounting to **Kshs.93,356,845**.

The lowest spending was recorded under **Operations and Maintenance**, which recorded actual expenditure of **Kshs.35,014,317**.

The overall absorption rate of **40.48%** indicates that a significant proportion of the approved departmental budget remained unutilized during the financial year. The relatively low absorption was primarily attributable to delays in the implementation of planned development programmes and projects, procurement-related challenges, delayed release of funds, and slow processing of expenditure commitments and payments.

Graph 11: Absorption Analysis– Water



Source: Busia County Treasury, 2026

10. Health Services and Sanitation

Vision: A healthy, productive, and internationally competitive county.

Mission: To build a progressive, sustainable, technologically driven, evidence-based, and client centered health system with the highest attainable standards of health at all levels of care in Busia County.

Mandate: The department is mandated to coordinate and oversee health service delivery in Busia County, aligning with the Kenya's Vision 2030 and the Kenya Health Policy 2014–2030.

Strategic objectives

The department operates in line with the six (6) strategic objectives of the Kenya Health Policy 2014-2030 as outlined below:

- Eliminate communicable conditions
- Halt and reverse the rising trends of non-communicable conditions
- Reduce the burden of violence and injuries
- Provide Essential Health services
- Minimize exposure to health risk factors
- Strengthen collaboration with health-related sectors.

Directorates

The department operates under three directorates:

- **Curative Health Services & Universal Health Coverage (UHC)** mandated with Provision of Primary Health care, provision of clinical services, management of health facilities and pharmacies, diagnostic services including radiology and laboratory services, provision of nursing services, provision of rehabilitative services and ensuring equitable access to quality and affordable healthcare.
- **Preventive and Promotive Health Services** mandated to undertake health promotion and education activities, provide technical advice on Promotive and preventive health, campaign and creation of awareness on diseases of public interest, provision of community health services through community strategy, disease surveillance and investigation, Inspection of premises and institutions, Education, and community health programs.
- **Administrative and Support services** mandated with Strengthening Human Resources for Health (HRH) management and development, Advocate for financial and procurement

autonomy of the County referral hospital and the 12 sub county hospitals, Develop and implement county level policies, legal frameworks/regulations, manuals and Standards Operating Procedures (SOPs) to support healthcare delivery ensuring access to health services activities by all residents, improving quality of services and ensuring affordability of health services among others.

Key Achievements

In the financial year under review, the sector realized a number of milestones as shown below;

Infrastructure development: During FY 2025/2026, the Health Sector made remarkable strides in expanding infrastructure and specialized service delivery to improve access and quality of care. Six new dispensaries—Benga, Hakati, Aturet, Nyalwanda, Bukati, and Imanga—were operationalized, while maternity units at Sikarira and Musibiriri were completed, enhancing maternal and child health services. Key facilities such as Port Victoria Sub-County Hospital and Benga Dispensary were refurbished, and the maternity unit at Nambale Sub-County Hospital was renovated, ensuring safer and more dignified care environments.

Specialized healthcare capacity was strengthened through the procurement of four dialysis machines, maintenance of the CT scan unit, and equipping of a corrective therapy clinic at Busia County Referral Hospital and Amukura Level IV Hospital. The completion of Adungosi and Hakati Dispensaries further expanded service reach. Although some projects experienced procurement delays, contracts for priority interventions were initiated, laying a strong foundation for continued implementation in the subsequent financial year and signaling sustained commitment to advancing healthcare infrastructure across the county.

Eye care Services: The programme recorded major achievements through strong county support and partnerships with Fred Hollows Foundation and Sights avers. The county procured essential eye equipment including slit lamps, cataract sets, tonometer, and consumables, while partners supported additional equipment, consumables, and human resource training. Service delivery expanded to all sub-counties, with over 15,000 clients screened, 918 cataract surgeries performed, and thousands of free medications and reading glasses dispensed during outreaches.

Awareness creation was enhanced through dialogue days, radio talk shows, and targeted screenings for vulnerable groups such as the elderly, women, and persons with disabilities. The county also established an optical workshop at BCRH, equipped with modern tools and

thousands of lenses and frames, and strengthened HMIS reporting through training and use of MOH data tools. Overall, the program achieved improved coverage, stronger teamwork, and enhanced equity in eye health service delivery.

Immunization Services: In FY 2025-2026, Immunization Service Unit recorded major successes in expanding access and coverage. The number of immunizing facilities grew from 123 to 139, reaching approximately 32,340 children under one year and scaling HPV vaccination coverage from 5% to 47%. The county achieved 97% coverage in the Measles-Rubella and Typhoid Conjugate Vaccine campaign and exceeded targets in Kenya's first Mpox vaccination campaign, with 2,999 people vaccinated against a target of 2,850. Additional achievements included strengthening cold-chain logistics with equipment worth **Kshs. 14 million**, improving data management and defaulter follow-up, and enhancing outreach services to hard-to-reach and cross-border communities. These efforts, supported by UNICEF, WHO, AMREF, CHAI, and other partners, significantly boosted equity-focused immunization and outbreak preparedness, ensuring stronger protection against vaccine-preventable diseases.

Nutrition Services: During the period under review, the programme achieved significant milestones through the Nutrition Resilience Project in flood-affected Bunyala, supported by the French Embassy via UNICEF and implemented with Kenya Red Cross. Key accomplishments included rolling out the Baby Friendly Community Initiative in two units linked to Khajula Dispensary, conducting integrated medical outreaches across six major facilities, and providing mentorship and supervision to strengthen service delivery. These efforts led to notable improvements in nutrition indicators: vitamin A coverage for children aged 6–59 months rose from 83.4% to 94%, IFAS coverage increased from 12.9% to 46%, and Khajula Dispensary achieved a remarkable jump from 0% to 100% in IFAS uptake. Additionally, the program conducted the county's first Knowledge, Attitude, Behavior and Practice (KABP) survey, generating vital Maternal, Infant and Young Child Nutrition (MIYCN) data to guide evidence-based decision-making for the county and its partners.

Community Health Services: During FY 2025/26, the Community Health Services made notable progress in strengthening primary health care delivery. A total of 754 Community Health Dialogue Days and 936 Action Days were conducted across all 233 community health units, enhancing community participation and ownership of health services. The county consistently supported community health promoters with a monthly stipend of Kshs. 2,500 for nine months, enabling them to effectively deliver services.

As a result, community health promoters managed treatment of 61% of malaria cases at the community level, up from 59%, thereby reducing deaths and unnecessary facility visits. The system also facilitated registration of 50% of the population into the SHA Insurance Scheme, a significant improvement from 31% the previous year. On digitization, 90% of the 2,202 community health promoters successfully collected and transmitted service delivery data electronically into the national KHIS system, marking a major step forward in data-driven health programming.

Environmental Health: The Menstrual Hygiene Management (MHM) programme in FY 2025/26 achieved remarkable impact by reaching thousands of learners across Busia County. Through coordinated school and community-based interventions, the programme successfully provided menstrual health education and support to **over 12,000 girls and adolescent girls**, alongside **3,500 boys** who were engaged to foster inclusivity and reduce stigma. In total, **85 schools** participated in the initiative, benefiting from awareness sessions, distribution of sanitary products, and integration of menstrual hygiene into broader health education.

These achievements not only improved school attendance and confidence among girls but also promoted positive attitudes among boys, thereby strengthening dignity, equity, and empowerment in menstrual health management across the county. Overall, these efforts contributed to improved health outcomes, reduced stigma, and greater empowerment of women and girls in Busia County.

Rehabilitative Services: During the reporting period, the Department of Health, in collaboration with the Clinton Health Access Initiative (CHAI), provided wheelchairs and sitting aids to 17 children with disabilities across the county, significantly enhancing their mobility, independence, participation, and overall quality of life. In addition, through strong partnerships with NCPWD, Fred Hollows Foundation, AICCAD, and World Vision, the department successfully facilitated mass disability medical assessments and categorization for 16,000 clients, ensuring improved access to essential services and strengthening support systems for persons with disabilities.

Nursing Services: In FY 2025/2026, the Nursing Services Unit notable progress in strengthening safe, quality, and patient-centered care across all levels. Key milestones included improved maternal, newborn, and postnatal nursing services, enhanced child welfare and integrated child health interventions, and strengthened emergency nursing, triage, and referral systems.

The unit also advanced infection prevention and control practices, expanded opportunities for continuous professional development and mentorship, and reinforced leadership at county, sub-county, and facility levels. These achievements positioned nurses and midwives as critical drivers of Universal Health Coverage, contributing significantly to preventive, promotive, curative, rehabilitative, and palliative care.

Blood Satellite Services: During the period under review, Blood Satellite Unit achieved uninterrupted blood supply through the acquisition of critical equipment and dedicated staffing. Essential tools were procured, including weighing balances, BP machines, HB machines, an Olympus CX23 microscope, water baths, an orbital shaker, refrigerated centrifuge, and blood bags, alongside refreshments to support donation drives. These investments, supported by the County Government of Busia (CGB) and the Kenya National Blood Transfusion Service (KNBTS), significantly strengthened blood collection, processing, and storage capacity.

Malaria Control: Busia County registered remarkable progress in malaria control during FY 2025/26 through integrated interventions under the Universal Health Coverage agenda. Malaria prevalence declined from 38.5% to below 20%, while incidence reduced from 735 to less than 300 per 1,000 population, representing over 59% reduction. Case fatality rates dropped from 3% to under 1%, and severe malaria admissions reduced by 55%. Vaccine uptake surpassed 80%, Indoor Residual Spraying achieved 96% coverage across 247,356 households, and Larval Source Management reduced mosquito larval density by 97%. Community Health Promoters managed 64% of confirmed malaria cases at level one, reflecting strong grassroots engagement. These gains, supported by county leadership and partner collaboration, demonstrate significant strides toward malaria elimination.

Role of the Partners: The role of partners could not be overlooked during the period, and their efforts in supplementing the county government's efforts was notable. Among the partners were, Global Fund for their support towards HIV/AIDS and TB programs, Marie Stopes & Dumisha Afya for HIV, Comprehensive care and health systems strengthening, Fred Hollows and Sight savers in Eye care Services, DANIDA for Level I,II,III interventions, CEDC in Budgeting and advocacy, UNICEF in Child Health & sanitation, Health Systems Strengthening, planning and Budgeting, Red Cross and Living Goods in Level I interventions, advocacy and Health financing, NCPWD, Fred Hollows Foundation, AICCAD, and World Vision in Rehabilitative programs, WHO, CHAI and AMREF in Immunization intervention among others.

Recent Economic Development Outlook

In the FY 2026/2027 and over the medium term, significant energies and resources will be placed in the investment areas commensurate with the aspirations of Primary Healthcare, Health insurance cover, Health systems capacity and Health data systems as defined for in the BETA manifesto.

Based on the Approved Budget Estimates for FY 2026/27, the Department of Health and Sanitation in Busia County received a total allocation of **Kshs. 2.92 billion**, distributed across three major programmes. The General Administration and Support Services programme was allocated **Kshs. 2.07 billion**, representing **70.9%** of the total departmental budget, emphasizing continued investment in administrative efficiency and operational support. Curative and Rehabilitative Services received **Kshs. 342.4 million**, accounting for **11.7%**, aimed at strengthening hospital-based care and specialized treatment services. Meanwhile, Preventive and Promotive Health Services were allocated **Kshs. 507.7 million**, equivalent to **17.4%**, reflecting increased focus on community health, disease prevention, and health promotion initiatives.

Health Financing and Revenue Mobilization; Enhancing Appropriation-in-Aid (AIA) collections through improved billing systems and Exploring partnerships and donor support for targeted health programs.

Health Workforce Development; Recruitment and training of medical personnel, including nurses, clinical officers, and lab technicians and Continuous professional development programmes to enhance service quality.

Strengthening Primary Healthcare; Scaling up community health units and deploying more Community Health Promoters (CHPs) and Enhancing maternal and child health services, including immunization and antenatal care.

Supply Chain and Equipment Modernization; Procurement of essential medical equipment and pharmaceuticals and Digitization of inventory and supply chain systems to reduce stockouts and wastage.

Disease Surveillance and Emergency Preparedness; Improved response mechanisms for outbreaks such as cholera, malaria, and emerging zoonotic diseases and operationalization of rapid response teams and emergency health funds.

Expansion and Rehabilitation of Health Facilities; Renovation of existing dispensaries and health centers, especially in underserved wards.

Water, Sanitation, and Hygiene (WASH) Integration; Joint programs with partners like Kenya Red Cross to rehabilitate strategic water points and promote hygiene in flood-prone areas like Bunyala

Mental Health and Non-Communicable Diseases (NCDs); Launch of mental health awareness campaigns and integration of NCD screening in primary care and Strengthening referral systems for chronic disease management.

Risk to the Outlook

- High wage bill and staffing gaps; The county wage bill exceeds statutory limits due to absorption of former local authority staff, CBA implementations, and limited recruitment. Health-specific shortages persist, particularly in specialized cadres, despite plans for targeted recruitment.
- Cross-border and disease burden pressures: High prevalence of infectious diseases (Ebola), rising non-communicable diseases (NCDs) and maternal mortality strain limited infrastructure.
- Contractors failing to meet project timelines; resulting in spillovers into subsequent financial years and accumulated pending bills.

Emerging Issues

- Rising burden of Non-Communicable Diseases (diabetes, hypertension, cancers) alongside infectious diseases, necessitating shifts in resource allocation and specialized care capacity.
- Transition to Social Health Insurance Fund (SHIF) and Universal Health Coverage (UHC) models, creating opportunities and challenges in revenue collection, claims management, and facility autonomy.
- High attrition rates of skilled healthcare workers migrating to better-paying counties, private sector, or abroad.

Lessons Learnt

- Early initiation of procurement processes (ideally in Q1) is critical to prevent project spillovers and ensure timely completion within the financial year.
- Human capital investment must be matched with commensurate infrastructure and commodity funding to achieve sustainable health outcomes.

- Data-driven decision-making improves outcomes and have outperformed those relying on intuition-based decisions.
- Integrated cross-border and disaster-response planning mitigates emerging health threats more effectively than siloed approaches.

Way Forward

- Procurement discipline: Execute contracts preferably in the first quarter to enable implementation in Q2–Q3 and minimize spillovers into subsequent years.
- Recruit, retain and motivate staff; Invest in staff training, mentorship, promotions, and welfare initiatives (housing, insurance, leave management).
- Project prioritization: Focus on completing already-started projects before new initiations; enforce contractor timelines with penalties.
- Strengthen planning and accountability: Adopt zero-based budgeting elements, enhance M&E systems, and conduct regular public participation to align budgets with community needs.
- Address emerging health threats: Invest in NCD prevention (Ebola) digital health infrastructure, climate-resilient facilities, and cross-border surveillance.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.2,661,589,393** against a total approved departmental budget of **Kshs.2,924,718,221**, representing an overall budget absorption rate of **91.00%**.

Table 16: Absorption Analysis– Health

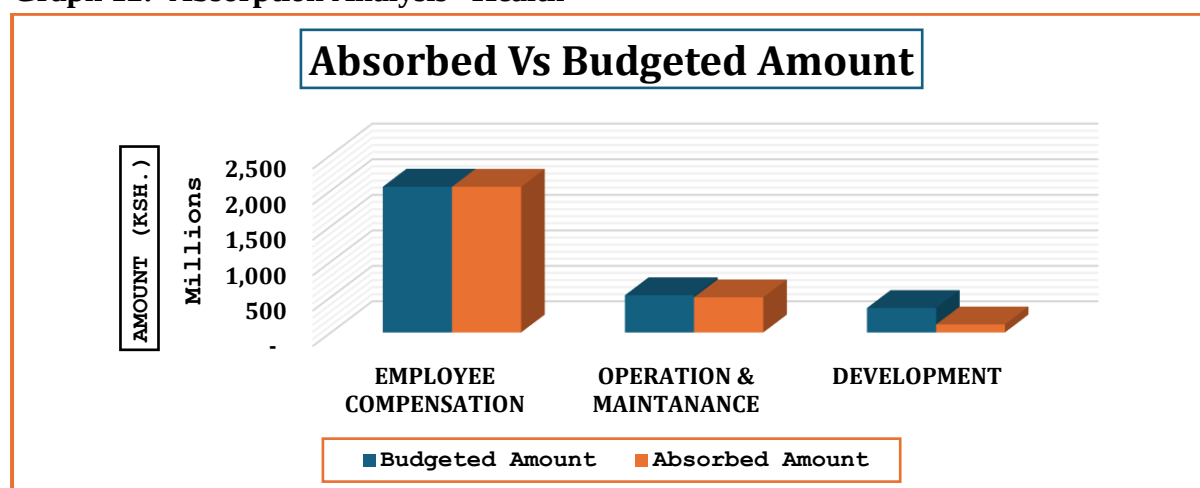
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	2,053,694,979	2,052,716,185	99.95%
2	Operation & Maintenance	525,639,728	495,907,233	94.34%
3	Development	345,383,514	112,965,975	32.71%
	Total Expenditure	2,924,718,221	2,661,589,393	91.00%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Employee Compensation**, amounting to **Kshs.2,052,716,185**. This was followed by **Operations and Maintenance**, which recorded actual expenditure of **Kshs.495,907,233**. The lowest spending was recorded under **Development**, with expenditure amounting to **Kshs.112,965,975**.

The high overall absorption rate of **91.00%** reflects a strong level of budget execution during the financial year, with the Department utilizing the majority of its approved resources. The exceptionally high expenditure under **Employee Compensation** is indicative of the Department’s significant personnel-related obligations, including salaries, wages, allowances, and other employee-related costs necessary to sustain service delivery.

Graph 12: Absorption Analysis– Health



Source: Busia County Treasury, 2026

11. County Public Service Board

The **Vision** of the department is to be a beacon of professionalism, integrity, equity and dedication to quality public service.

The **Mission** is to provide efficient and effective professional services for the realization of Busia County and National Development Goals through competitive recruitment, planning, developing and managing human capital.

Mandate

The department is mandated to establish and abolish public offices, appoint and confirm persons to offices, promote public service values and principles, facilitate the development of human resource, exercise disciplinary control, and prepare regular reports.

Key Achievements

The County Public Service Board strengthened the County’s human resource management and service delivery through the recruitment and deployment of staff in key positions, including audit, health, director and deputy director roles across various departments. The Board also

successfully recruited and deployed County Chief Officers to different departments. In addition, it prepared the County Annual Performance Report for FY 2025/26, validated Human Resource policies, and developed and implemented a Performance Management Policy to enhance accountability, staff performance and effective service delivery.

Challenges

The department faced various challenges that affected effective service delivery that included:

- Inadequate office and working space, which constrained staff operations,
- Insufficient budgetary allocations, which limited the implementation of planned programmes and activities.
- Inadequate workforce, resulting in increased workloads for existing staff and reduced overall performance output.

Way forward

To address these challenges, the County Public Service Board should

- Provide adequate and suitable office space,
- Increase budgetary allocations to support planned programmes,
- Recruit additional staff to address workforce gaps and reduce workload.
- Strengthen resource planning, staff deployment and prioritization of key programmes to improve efficiency, staff productivity and overall service delivery.

Recent Economic Development Outlook

The Busia County Public Service Board (CPSB) strengthened institutional professionalism and good governance by promoting transparency, accountability, integrity and adherence to national values through implementation of relevant laws, performance management systems and staff training. The Board also enhanced service delivery by strengthening human resource planning and management, developing an integrated electronic HR database, reviewing HR policies and guidelines, preparing human resource plans, promoting research and innovation, and building the capacity of Board and Secretariat staff.

Risk to the Outlook

The key risks to the County Public Service Board include:

- Inadequate budgetary allocation

- Delays in staff recruitment and promotion
- Shortages of skilled personnel
- Limited capacity building
- Rising personnel costs

Delays in implementing approved staff establishments and career progression schemes may also affect staff motivation, retention and effective service delivery.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.63,245,662** against a total approved departmental budget of **Kshs.73,040,633**, representing an overall budget absorption rate of **86.59%**.

Table 17: Absorption Analysis– County Public Service Board

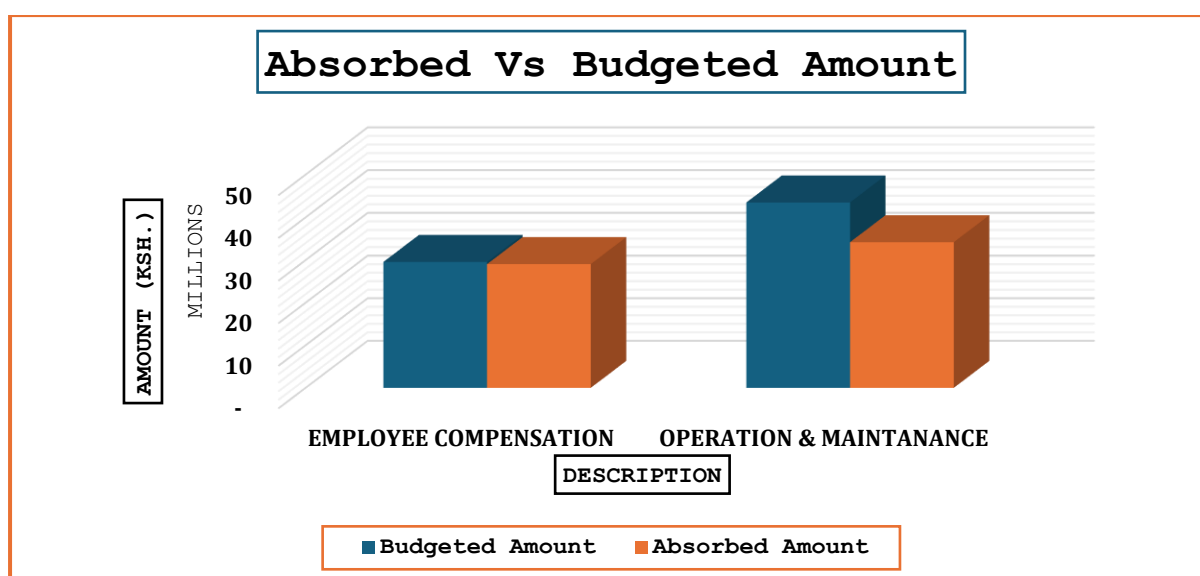
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	29,563,226	29,059,066	98.29%
2	Operation & Maintenance	43,477,407	34,186,596	78.63%
	Total Expenditure	73,040,633	63,245,662	86.59%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.34,186,596**, followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.29,059,066**.

The overall absorption rate of **86.59%** indicates a moderate level of budget execution, with a significant proportion of the approved budget remaining unutilized at the end of the financial year. The expenditure pattern shows that the Department's resources were predominantly utilized to support **Operations and Maintenance**, reflecting the need to finance routine administrative, operational, and service delivery requirements.

Graph 13: Absorption Analysis– County Public Service Board



Source: Busia County Treasury, 2026

12. County Law Office

The department's **Vision** is to be the best public legal service provider to promote democratic principles and accountability in the devolved governments.

The department's **Mission** is to facilitate and promote good governance by recognizing diversity and protection and promotion of interest and rights of the people through provision of public legal services in the County Government of Busia.

The department's **Mandate** is to provide advisory and enactment of the laws in all the Departments in the County Government of Busia.

Key Achievements

During FY2025/26, the Department strengthened the County's legal and policy framework through the development, review and amendment of legislation and policies. It enhanced collaboration with the County Assembly and other stakeholders to support effective enactment and implementation of laws. The Department also partnered with international organizations to support training and justice-sector programmes, while strengthening coordination with County departments and relevant agencies to promote good governance and effective legal service delivery.

Challenges

- During FY2025/26, the Department faced inadequate human resources to manage the workload, affecting the timely implementation of programmes and delivery of legal services.
- The Department also experienced budget cuts and inadequate office resources, including space, furniture and equipment.

These constraints limited the effective implementation of planned activities and programmes.

Way forward

- The Department should strengthen human resource capacity through targeted recruitment and deployment, while ensuring adequate and predictable budget allocations for planned programmes.
- Adequate office space, furniture and equipment should be provided, alongside improved resource prioritization and utilization to enhance programme implementation and legal service delivery.

Recent Economic Development

The County Law Office supported economic development through legal advisory services, legislative drafting and review, litigation management and legal compliance, promoting accountability and effective service delivery.

Risk to the Outlook

Key risks include:

- Inadequate funding,
- Delays in financial requisitions,
- Increasing litigation,
- Limited legal capacity

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.34,617,018** against a total approved departmental budget of **Kshs.55,329,033**, representing an overall budget absorption rate of **62.57%**.

Table 18: Absorption Analysis– County Law Office

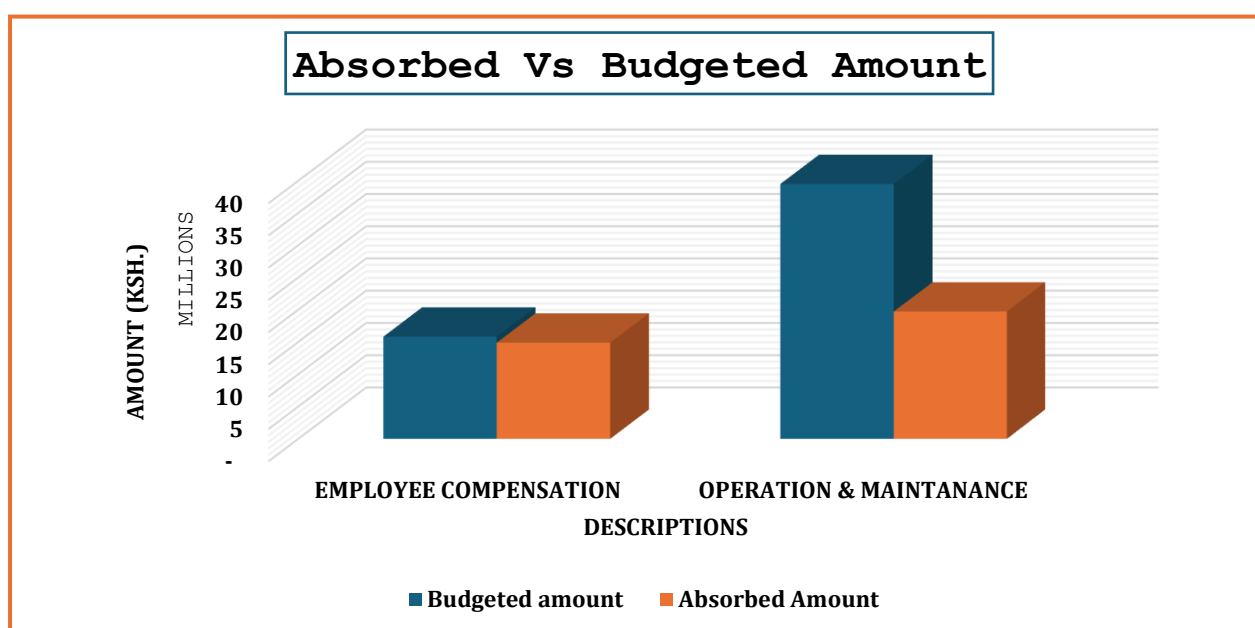
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	15,820,129	14,897,878	94.17%
2	Operation & Maintenance	39,508,904	19,719,140	49.91%
	Total Expenditure	55,329,033	34,617,018	62.57%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.19,719,140**. This was followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.14,897,878**.

The overall absorption rate of **62.57%** indicates a relatively low level of budget execution, with a substantial proportion of the approved departmental budget remaining unutilized during the financial year. The expenditure pattern shows that the Department's resources were predominantly directed towards **Operations and Maintenance**, reflecting the need to finance routine operational requirements and sustain essential service delivery functions.

Graph 14: Absorption Analysis– County Law Office



Source: Busia County Treasury, 2026

13. Strategic Partnerships, ICT and Digital Economy

The Department's **Vision** is to make Busia County a digitally competitive and sustainable economy

The **Mission** is to facilitate access to ICTs-enabled services through development of ICT infrastructure and utilization of digital opportunities for enhancement of partnerships, resource mobilization and efficient public service delivery.

The Department of Strategic Partnerships, ICT and Digital Economy is **Mandated** to facilitate access to ICT-enabled services in Busia County through development of ICT infrastructure, while utilizing digital space opportunities to enhance strategic partnerships, resource mobilization and efficient public service delivery.

Key Achievements

The Department recorded notable achievements in resource mobilization and development partner engagement, ICT service delivery and infrastructure development.

Directorates

Information Communication Technology

The ICT and Digital Economy directorate sought to increase access to ICT services through development and expansion of ICT infrastructure and connectivity. During FY2025/2026, the Department connected five departments to Local Area Networks (LAN) against a target of twelve. The County ICT Digital Centre was operationalized and equipped.

The directorate also implemented the ICT infrastructure and connectivity project through MPLS covering Bunyala, Samia, Butula, Teso South, Nambale and the County Headquarters. The project had an estimated cost of Kshs.5 million, with an actual cumulative cost of Kshs.4.994 million, and was completed and is in use. The project achieved 100 per cent physical completion. The performance demonstrates progress in strengthening the County's digital infrastructure, although limited financial resources affected achievement of some planned ICT infrastructure targets.

Resource Mobilization

The Resource Mobilization directorate focused on increasing access to financial, material and technical resources for County development.

Key achievements during FY2025/2026 included mobilization of USD 4.3 million through the Government of Denmark and UN-Habitat partnership for urban resilience and sustainable development; submission of a USD 10 million UNCDF proposal for water and sewerage infrastructure; securing approximately Kshs.59 million from USAID for agricultural production and other County's development interventions; and negotiations for a donation of 50 computers from Stanbic Bank.

The performance demonstrates the potential of the Department to leverage resources beyond the County's own fiscal capacity. However, dedicated budgetary support is necessary to institutionalize resource mobilization, strengthen proposal development, coordinate donor engagements and monitor externally supported programmes.

Strategic Partnerships and UN SDGs

During FY2025/2026, the Directorate of Strategic Partnerships and UN-SDG Mainstreaming recorded the following achievements: participation in six stakeholder engagement meetings; monitoring of UN-SDG-aligned projects in six County's departments; thirteen desk research exercises on development partner organizations, government institutions and related best practices; participation in four training sessions, workshops and seminars; development of two monitoring and evaluation frameworks; preparation and submission of approximately twelve meeting, project and activity reports; support for twenty targeted digital social media messages and assorted IEC materials; support to four County departments in developing policy documents integrating UN-SDGs, including Cabinet Memos; support in drafting and reviewing twenty-one MoUs with development partners; and development of nineteen grant project proposals and five concept notes for evaluation. The Directorate also coordinated development partner engagements, investment forums and strategic collaboration initiatives.

During the year, the Department successfully negotiated and signed an MoU with SNV Netherlands Development Organization under the Power for Food Partnership, focusing on regenerative agriculture, renewable energy, food security, climate resilience and sustainable livelihoods. It also entered into an MoU with Bumbe National Polytechnic for capacity building for commercial motorcycle riders across the County.

Challenges

The Department faced significant challenges during implementation, including:

- Inadequate budgetary allocations relative to its expanding mandate in areas such as strategic partnerships, resource mobilization, SDG mainstreaming, and digital transformation.
- Delayed exchequer releases and disbursements hindered timely program delivery.
- Pending bills—particularly for ICT infrastructure and digital services—accumulated.
- Limited technical expertise in resource mobilization, project development, data analytics, ICT, and cybersecurity further constrained progress.
- Weak institutional capacity for donor compliance and grant management.
- Fragmented county data systems, poor internet connectivity, and insufficient digital infrastructure impeded evidence-based planning and institutional collaboration.
- Weak mechanisms for private-sector and development-partner engagement reduced opportunities for blended financing and innovation
- Heavy reliance on external funding for digital transformation and climate initiatives posed sustainability risks in the absence of adequate counterpart support.

Lessons Learnt

From implementation, several key lessons emerged.

- Early procurement planning and timely initiation of processes proved essential for effective programme delivery and improved budget absorption.
- Continuous monitoring of implementation and expenditure allowed for the early identification and resolution of bottlenecks.
- Adequate cash flow and timely exchequer releases were critical in ensuring prompt settlement of contractual obligations and preventing the accumulation of pending bills.
- Strong coordination among programme managers, finance, procurement, and accounting units enhanced efficiency and supported the timely delivery of planned outputs.

Way Forward

- To address these challenges, the Department will advocate for the timely release of exchequer funds to facilitate programme implementation and settlement of obligations.
- Verified pending bills will be fast-tracked for settlement.

- Procurement planning will be strengthened, with processes initiated early in the financial year to avoid delays.
- Expenditure monitoring and regular budget performance reviews will be enhanced to ensure accountability and efficiency.
- Coordination among planning, procurement, finance, and programme implementation units will be reinforced
- Resource mobilization and strategic partnerships will continue to be strengthened to leverage additional resources for county development.

Recent Economic Outlook for the Department

In the medium term, emphasis will be placed on strengthening development partner engagement, preparing bankable projects, expanding ICT connectivity and digital services, and strengthening institutional mechanisms for partnerships and resource mobilization.

Medium-Term Priorities

In the medium term, the Department will focus on the following strategic priorities:

Strategic Priority	Key Intervention
Digital Transformation	Implement County Revenue Management System and e-services
ICT Infrastructure	Expand connectivity, networking and data infrastructure
Resource Mobilization	Prepare bankable projects and strengthen donor engagement
Strategic Partnerships	Coordinate partnerships with development agencies and private sector
Innovation & Digital Economy	Support digital innovation, entrepreneurship and ICT skills development

These priorities are aligned to the FY2027/2028 Annual Development Plan.

Medium-Term Resource Requirement

The FY2027/2028 ADP provides a total development resource requirement of **Kshs.66 million** for the Department's three programmes.

Programme	FY 2027/2028 Development Requirement (Kshs.) Million
Resource Mobilization	25
ICT and Digital Economy	36
Strategic Partnerships and Collaboration	5
Total Development Requirement	66

Risks to the Medium-Term Outlook

The main risks to implementation of the Department's medium-term priorities include:

- **Inadequate budgetary allocation:** Limited fiscal space may constrain implementation of ICT infrastructure, resource mobilization and strategic partnership initiatives.
- **Delayed exchequer releases:** Delays in release of funds may affect implementation schedules and settlement of contractual obligations.
- **Limited institutional capacity:** Inadequate technical and operational staffing may limit the Department's ability to coordinate an expanding portfolio of ICT programmes and strategic partnerships.
- **Technology and cybersecurity risks:** Rapid technological changes require continuous investment in infrastructure, software, maintenance and cybersecurity.
- **Uncertainty in donor financing:** External financing is influenced by donor priorities, competitive funding processes and compliance with financing requirements.
- **Procurement and implementation delays:** Lengthy procurement processes may delay implementation of ICT and infrastructure projects.
- **Sustainability of digital investments:** ICT investments require continuous maintenance, upgrades, connectivity and technical support beyond initial implementation.

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.39,896,471** against a total approved departmental budget of **Kshs.60,786,832**, representing an overall budget absorption rate of **65.63%**.

Table 19: Absorption Analysis– Strategic Partnership

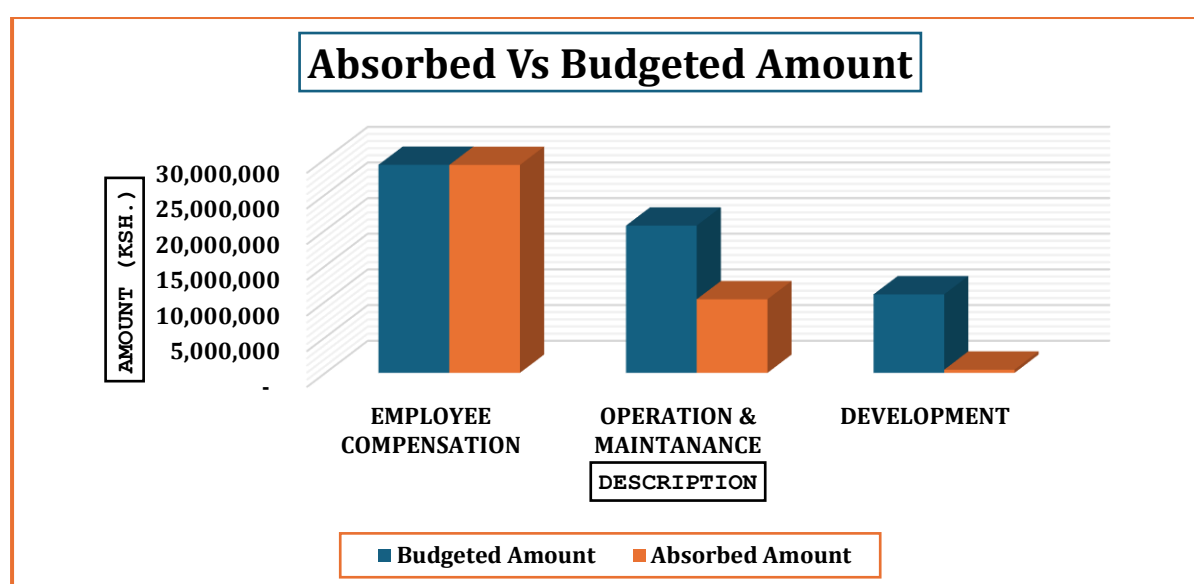
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	29,159,980	29,145,000	99.95%
2	Operation & Maintenance	20,632,852	10,301,471	49.93%
3	Development	10,994,000	450,000	4.09%
	Total Expenditure	60,786,832	39,896,471	65.63%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Employee Compensation**, which recorded actual expenditure of **Kshs.29,145,000**. This was followed by **Operations and Maintenance**, amounting to **Kshs.10,301,471**. The lowest spending was recorded under **Development**, with actual expenditure amounting to **Kshs.450,000**.

The overall absorption rate of **65.63%** reflects a relatively low level of budget execution, with a substantial proportion of the approved departmental budget remaining unutilized at the end of the financial year. The expenditure pattern indicates that the Department’s resources were predominantly utilized to finance **Operations and Maintenance**, reflecting the priority given to sustaining routine operations and essential service delivery functions.

Graph 15: Absorption Analysis– Strategic Partnership



Source: Busia County Treasury, 2026

14. The Governorship

The departmental **Vision** is to be an institution of honour and excellence for a democratic and prosperous County.

The departmental **Mission** is to provide timely and quality services to the residents of Busia County through efficient utilization of resources

The **Mandate** of the office of the Governor comprises of Office of the Governor, Deputy Governor and County Secretary. It is an administrative office mandated to spearhead policy formulation; promotion of the rule of law to enhance order; resource mobilization; coordination and supervision of effective and efficient public service delivery; swift response to critical

community needs during disaster occurrences; publicity and branding. The office of the Governor has two Directorates, namely, Disaster Management and Service Delivery.

Key Achievement

In the year under review, the directorate of Disaster Management implemented several initiatives aimed at enhancing disaster preparedness and public safety across the County. The directorate installed additional two lightning arrestors at Burinda Primary School and St. Pauls Amukura High school. The directorate has cumulatively installed a total of sixteen (16) lightning arrestors across the County.

Through the programme of disaster risk management two lightning arrestors were repaired i.e Agenga Dispensary and Matayos Sub-County Hospital to help curb the risks of lightning-related incidents. The office of the governor through the directorate of Disaster Management hosted a National Symposium on disaster risk preparedness, reduction and mitigation at Alupe University. The event attracted at least 2,000 participants as it provided a platform for deliberations on disaster preparedness, risk reduction, and resilience-building strategies. The Directorate further conducted fire safety awareness and fire drill training for 60 officers and stakeholders operating at Busia and Malaba One-Stop Border Posts thereby strengthening emergency preparedness and response capacity. The directorate also continued with its mandate of issuing fire compliance certificates to various business premises and the community sensitization programmes on fire safety and disaster risk management to enhance public awareness and preparedness.

The directorate of Service delivery coordinated the monitoring and evaluation of key flagship projects across departments and prepared periodic implementation status reports. Under the level II Kenya Devolution Support Programme (KDSP II), the directorate coordinated the programme's implementation, facilitated Mid-Year and Annual Programme Reviews, and supported the implementation, monitoring, and evaluation of Institutional and Investment Grant activities.

Recent Economic development & outlook

Through disaster risk management programme, the directorate of disaster has set aside some funds for construction of Samia disaster management centre phase II. Disaster preparedness and mitigation is the directorate's area of concern in the current fiscal year.

Through the directorate of disaster risk management, the department has given priority to maintaining existing lightning arrestors and installation of new ones to the lightning prone areas and maintenance of firefighting engines and other equipment's

Risk to the Outlook

- Growing impact of climate change may increase the occurrence of floods, droughts and other disasters, requiring enhanced preparedness.
- Increasing adoption of digital technologies may drive the need for automation, electronic records management, and data-driven service delivery.
- Rising public demand for efficient and accountable services may increase the need for timely monitoring, evaluation, and performance reporting.
- There is growing need for community resilience and disaster preparedness through awareness creation and early warning systems.

Challenges

- Inadequate funding and delayed release of funds affected timely implementation of disaster management and service delivery programmes.
- Lengthy procurement processes delayed acquisition of emergency equipment, goods, services, and project implementation.
- Limited technical capacity and ICT infrastructure constrained effective disaster preparedness, monitoring, digitization, and service delivery.
- Weak coordination among stakeholders and implementing agencies affected timely response to disasters and implementation of county programmes.
- Increasing frequency of disasters such as floods, fires, and lightning incidents continued to exert pressure on the department's limited resources.
- Lack of legislation on criteria to declare a disaster

Way Forward

- Timely planning, funding, and coordination are critical for effective programme implementation and emergency response.
- Increase funding and ensure timely release of resources to support disaster management and service delivery programmes.
- Partnering with national government, development partners, and other stakeholders to enhance service delivery and disaster management.

- Strengthen procurement, coordination, and monitoring systems to improve project implementation and emergency response.
- Invest in ICT infrastructure, automation, and early warning systems to enhance efficiency and preparedness.
- Enhance staff capacity and stakeholder collaboration through continuous training and partnerships.
- Promote community awareness and resilience programmes to improve disaster preparedness and public participation.
- Purchase a dredger for opening canals in Lower Nzoia Delta of Bunyala Sub-county.
- Continuous staff capacity building strengthens programme implementation and institutional performance

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.285,939,501** against a total approved departmental budget of **Kshs.369,552,173**, representing an overall budget absorption rate of **77.37%**.

Table 20: Absorption Analysis– The Governorship

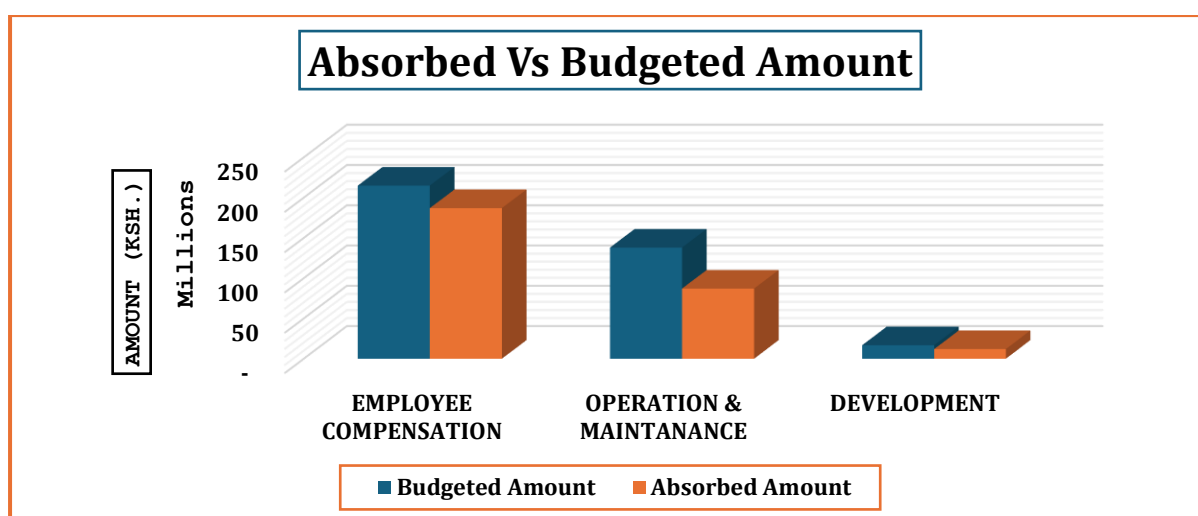
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	214,895,355	186,972,527	87.01%
2	Operation & Maintenance	137,926,528	87,025,116	63.10%
3	Development	16,730,290	11,941,858	71.38%
	Total Expenditure	369,552,173	285,939,501	77.37%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Employee Compensation**, which recorded actual expenditure of **Kshs.186,972,527**. This was followed by **Operations and Maintenance**, amounting to **Kshs.87,025,116**. The lowest spending was recorded under **Development**, with actual expenditure amounting to **Kshs.11,941,858**.

The overall absorption rate of **77.37%** reflects a moderate level of budget execution. The expenditure pattern indicates that the Department's resources were predominantly directed towards **Employee Compensation**, reflecting the need to sustain routine operations, administrative functions, and essential service delivery activities.

Graph 16: Absorption Analysis– The Governorship



Source: Busia County Treasury, 2026

15. The County Assembly

Vision: To be a modern County Assembly that fulfills its constitutional mandate and effectively serves the people of Busia County

Mission: To build an effective County Assembly that is responsive to the needs of the people and that is driven by the ideals of realizing better quality of life for the people of the Busia County.

Mandate

The County Assembly core functions are to develop legislation, perform oversight and representation. It is more committed to building an effective County Assembly that is responsive to the needs of the people that is driven by the ideal of realizing better quality life for the people of Busia County.

Recent economic development

In collaboration with Executive the County Assembly continued to draft and pass into law various policies and legislation(s) that have accelerated development and improved the livelihoods of the people. It exercised its oversight roles to the County Executive through summons to county officials to appear before various committees of the County Assembly and by requesting for information from various departments.

During the **FY 2025-26** the County Assembly was able to undertake the following projects:

- Completed Purchase of parcels of land for construction of ward offices.
- Acquisition and installation of e-parliament system,
- Construction of PWDs friendly ablution block; and,
- Laying of cabros at the County Assembly's main entrance.

Risk to the outlook

- Inadequate budget allocation
- Delayed disbursements of funds from the exchequer

Absorption Analysis per Economic Classification

During the Financial Year (FY) 2025/2026, the Department recorded actual expenditure of **Kshs.881,923,317** against a total approved departmental budget of **Kshs.914,098,045**, representing an exceptionally high overall budget absorption rate of **96.48%**.

Table 21: Absorption Analysis - County Assembly

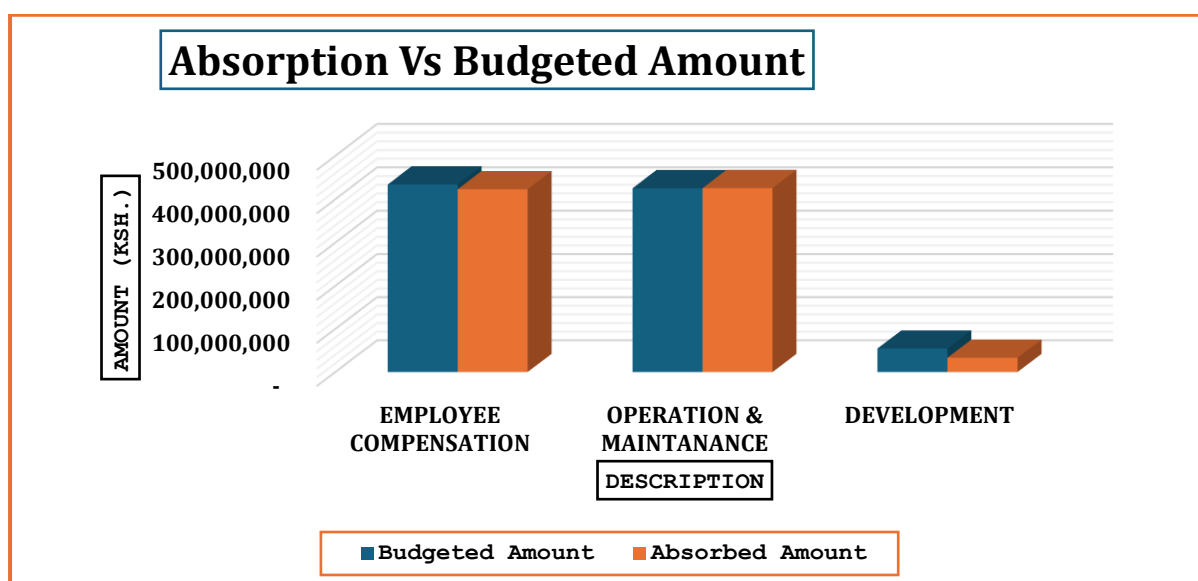
No	Description	Budgeted Amount (Kshs.)	Absorbed Amount (Kshs.)	(%) Absorbed
1	Employee Compensation	434,075,663	423,273,195	97.51%
2	Operation & Maintenance	425,522,382	425,522,382	100.00%
3	Development	54,500,000	33,127,740	60.78%
	Total Expenditure	914,098,045	881,923,317	96.48%

Source: Busia County Treasury, 2026

The highest expenditure was recorded under **Operations and Maintenance**, amounting to **Kshs.425.52 million**. This was followed by **Employee Compensation**, which recorded actual expenditure of **Kshs.423.27 million**. The lowest spending was recorded under **Development**, with actual expenditure amounting to **Kshs.33.13 million**.

The overall absorption rate of **96.48%** demonstrates a very strong level of budget execution, with the Department utilizing almost the entire approved budget during the financial year. The high absorption reflects effective budget implementation and the timely utilization of available resources to support departmental programmes, operations, and service delivery.

Graph 17: Absorption Analysis - County Assembly



Source: Busia County Treasury, 2026

Implication of FY 2025/2026 Fiscal Performance on Financial Objectives

The table below shows how performance of the County deviated from the approved CFSP for 2025/2026.

The current performance has affected the financial objectives set in the CFSP for that particular year.

Table 22: CBROP FY 2025/2026 Deviation from the CFSP FY 2025/2026

Vote Title	Economic Classification	CBROP FY 2024/2025	CFSP FY 2025/2026	CBROP FY 2025/2026	CBROP Deviation from CFSP FY 2025/2026
		Kshs..	Kshs..	Kshs..	Kshs..
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness	Recurrent	250,184,266	270,761,497	238,024,605	32,736,892
	Employee Compensation	188,852,385	216,007,110	215,782,822	224,288
	Operations and Maintenance	61,331,881	54,754,387	22,241,783	32,512,604
	Development	445,145,488	681,513,938	434,327,607	247,186,331
	Total	695,329,754	952,275,435	672,352,212	279,923,223
					-
Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SME)	Recurrent	96,522,217	97,454,564	61,260,395	36,194,169
	Employee Compensation	52,616,154	54,093,401	54,079,435	13,966
	Operations and Maintenance	43,906,063	43,361,163	7,180,960	36,180,203
	Development	195,592,022	250,000,000	133,459,164	116,540,836
	Total	292,114,239	347,454,564	194,719,559	152,735,005
					-
Education and Industrial Skills Development	Recurrent	644,715,296	669,605,455	650,254,002	19,351,453
	Employee Compensation	512,668,852	574,823,188	560,030,867	14,792,321
	Operations and Maintenance	132,046,444	94,782,267	90,223,135	4,559,132
	Development	24,851,170	130,000,000	166,347,029	(36,347,029)
	Total	669,566,466	799,605,455	816,601,031	(16,995,576)
					-

Vote Title	Economic Classification	CBROP FY 2024/2025	CFSP FY 2025/2026	CBROP FY 2025/2026	CBROP Deviation from CFSP FY 2025/2026
		Kshs..	Kshs..	Kshs..	Kshs..
The County Treasury and Economic Planning	Recurrent	743,401,893	516,894,945	607,102,452	(90,207,507)
	Employee Compensation	263,587,958	300,114,571	300,052,901	61,670
	Operations and Maintenance	479,813,935	216,780,374	307,049,551	(90,269,177)
	Development	0	10,000,000	-	10,000,000
	Total	743,401,893	526,894,945	607,102,452	(80,207,507)
					-
Youth, Sports, Culture, Gender, Creative Arts and Social Services	Recurrent	223,533,191	151,917,816	218,468,374	(66,550,558)
	Employee Compensation	52,501,026	52,513,808	52,333,826	179,982
	Operations and Maintenance	171,032,165	99,404,008	166,134,548	(66,730,540)
	Development	0	25,000,000	5,485,373	19,514,627
	Total	223,533,191	176,917,816	223,953,747	(47,035,931)
					-
Transport, Roads and Public Works	Recurrent	154,304,757	144,247,473	128,549,571	15,697,902
	Employee Compensation	81,486,169	83,555,152	83,383,872	171,280
	Operations and Maintenance	72,818,588	60,692,321	45,165,699	15,526,622
	Development	714,392,130	437,000,000	458,402,204	(21,402,204)
	Total	868,696,887	581,247,473	586,951,775	(5,704,302)
					-
Public Service Management	Recurrent	628,343,561	670,180,968	852,605,760	(182,424,792)
	Employee Compensation	232,573,956	295,512,108	452,090,896	(156,578,788)
	Operations and Maintenance	395,769,605	374,668,860	400,514,864	(25,846,004)
	Development			-	-
	Total	628,343,561	670,180,968	852,605,760	(182,424,792)
					-
Lands, Housing and urban Development	Recurrent	219,505,531	124,463,942	169,809,711	(45,345,769)
	Employee Compensation	63,218,840	66,175,063	65,192,122	982,941
	Operations and Maintenance	156,286,691	58,288,879	104,617,589	(46,328,710)
	Development	100,753,888	122,500,000	34,235,160	88,264,840
	Total	320,259,419	246,963,942	204,044,871	42,919,071
					-
Water, Environment, Irrigation, Natural Resources and Climate Change	Recurrent	148,493,638	147,856,286	128,371,162	19,485,124
	Employee Compensation	92,663,411	94,152,036	93,356,845	795,191
	Operations and Maintenance	55,830,227	53,704,250	35,014,317	18,689,933
	Development	353,386,191	490,000,000	272,246,772	217,753,228
	Total	501,879,829	637,856,286	400,617,934	237,238,352
					-
Health Services and Sanitation	Recurrent	2,224,679,537	2,329,339,974	2,548,623,418	(219,283,444)
	Employee Compensation	1,761,162,444	1,959,646,302	2,052,716,185	(93,069,883)
	Operations and Maintenance	463,517,093	369,693,672	495,907,233	(126,213,561)
	Development	160,369,948	602,500,000	112,965,975	489,534,025
	Total	2,385,049,485	2,931,839,974	2,661,589,393	270,250,581
					-
County Public Service Board	Recurrent	115,447,023	102,884,047	63,245,662	39,638,385
	Employee Compensation	25,960,288	29,563,226	29,059,066	504,160
	Operations and Maintenance	89,486,735	73,320,821	34,186,596	39,134,225
	Development				-
	Total	115,447,023	102,884,047	63,245,662	39,638,385
					-
County Law Office	Recurrent	79,840,624	70,364,830	34,617,018	35,747,812
	Employee Compensation	13,073,762	15,820,129	14,897,878	922,251
	Operations and Maintenance	66,766,862	54,544,701	19,719,140	34,825,561
	Development				-
	Total	79,840,624	70,364,830	34,617,018	35,747,812
					-
Strategic Partnerships and Digital Economy	Recurrent	58,392,353	51,743,937	39,446,471	12,297,466
	Employee Compensation	24,167,618	25,100,548	29,145,000	(4,044,452)
	Operations and Maintenance	34,224,735	26,643,389	10,301,471	16,341,918
	Development	0	8,000,000	450,000	7,550,000
	Total	58,392,353	59,743,937	39,896,471	19,847,466
					-
The Governorship	Recurrent	368,000,776	360,107,591	273,997,643	86,109,948
	Employee Compensation	173,315,176	200,239,695	186,972,527	13,267,168

Vote Title	Economic Classification	CBROP FY 2024/2025	CFSP FY 2025/2026	CBROP FY 2025/2026	CBROP Deviation from CFSP FY 2025/2026
		Kshs..	Kshs..	Kshs..	Kshs..
	Operations and Maintenance	194,685,600	159,867,896	87,025,116	72,842,780
	Development	2,000,000	18,000,000	11,941,858	6,058,142
	Total	370,000,776	378,107,591	285,939,501	92,168,090
					-
County Assembly	Recurrent	804,245,638	859,382,566	848,795,577	10,586,989
	Employee Compensation	443,582,761	456,222,004	423,273,195	32,948,809
	Operations and Maintenance	360,662,877	403,160,562	425,522,382	(22,361,820)
	Development	40,857,924	144,000,000	33,127,740	110,872,260
	Total	845,103,562	1,003,382,566	881,923,317	121,459,249
					-
Summary	Recurrent	6,564,924,701	6,567,205,891	6,863,171,821	(295,965,930)
	Employee Compensation	3,981,430,800	4,423,538,341	4,612,229,994	(188,691,653)
	Operations and Maintenance	2,778,179,501	2,143,667,550	2,250,941,827	(107,274,277)
	Development	2,037,348,761	2,918,513,938	1,662,988,882	1,255,525,056
	GRAND TOTAL	8,796,959,062	9,485,719,829	8,526,160,703	959,559,126

Source: Busia County Treasury, 2026

As per the table above, the County had set its expenditure ceilings at **Kshs. 9.486 billion** as per the approved CFSP 2025/2026. However, in the same period, it was able to absorb **Kshs. 8.526 billion** which is equivalent to **89.88%** absorption rate of the set ceiling in the approved CFSP FY 2025/2026.

The approved budget of **Kshs.11.159 billion** for the same fiscal year had a deviation from the approved CFSP because of inclusion of conditional grants, pending bills/rollovers and the balances brought forward for the FY 2024/2025. However, actual absorption for FY 2025/2026 stands at **76.40%** of the total budget.

The fiscal performance of the Financial Year 2025/2026 has affected the financial objectives as set out in the County Fiscal Strategy Paper 2026 and the Budget Estimates for the Financial Year 2026/2027 as follows:

- i. Expenditure forecasts will be affected by payment of the pending bills, consideration of the rollovers from the previous financial year and completion of ongoing projects hence necessitating the need to adjust the current year's budget and MTEF.
- ii. Own source Revenue forecasts also need to be readjusted to realistic amounts due to underperformance in the Financial Year 2025/2026 review. Hence, the baseline expenditure ceilings need to be readjusted in the County Fiscal Strategy Paper for 2027.

Adherence to fiscal responsibility principles

In line with Article 201 of the Constitution of Kenya, 2010 and Section 107 of the PFM Act, 2012, the County has adhered to some of the fiscal responsibility principles as outlined below:

The county government's recurrent expenditure shall not exceed the county government's total revenue; The County Government recurrent expenditure was **Kshs.6.863 billion** representing **69.36 percent** of the total actual revenue of **Kshs.9.895 billion** hence the County complied with the fiscal responsibility principles by the recurrent expenditure not exceeding the total revenue.

Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure; The County has maintained a minimum allocation of 30 percent on development budget. In the FY 2025/2026 the County allocated **34.07 percent** on development expenditure and expended **19.50 percent** of total expenditure for the year under review. It is worth noting that the low absorption of development expenditure was attributed to reduced development activities occasioned by the late release of funds, underperformance in Own Source Revenue and non-disbursement of some conditional grants for development activities.

The County Government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County Government's total revenue as prescribed by the County Executive Member for Finance in regulations and approved by the County Assembly; In line with section 25(1) (b) of the PFM (County Governments) regulations, 2015, County Governments are required not to exceed **35 percent** of their total revenue on wages and benefits. In the FY 2025/2026 the County Government allocation on employee compensation was at **41.33 percent** which was higher than the stipulated **35 percent**. The County's total expenditure on employee compensation was **Kshs.4.612 billion** of the total expenditure of **Kshs..8.526 billion**.

Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;

Over time the County Government has been implementing a balanced budget hence no borrowings. In the long run if and when the County incorporates borrowings/public debt in its budget then it shall be used only for capital expenditure.

The county debt shall be maintained at a sustainable level as approved by county assembly; The County Government has put measures to ensure realistic projections and

subsequent collection of own source revenues which include automation of revenue streams. This will ensure implementation of a balanced budget hence reducing recurring pending bills.

The fiscal risks shall be managed prudently; The County Government has put forth measures to increase own source revenue collection such as revenue automation and expanding revenue streams and ensure focus on priority programs.

A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, considering any tax reforms that may be made in the future. The County Government through preparation of the Finance Act ensures charges, fees and levies are prudently imposed and are in line with the statutory laws.

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

A. World Economic Outlook

The global economy has remained resilient despite heightened geopolitical tensions, tighter financial conditions and increased policy uncertainty. According to the latest international economic outlook, global economic growth is estimated at **3.3 percent** in 2025 and is projected to remain broadly stable at **3.3 percent** in 2026 before improving marginally thereafter. The outlook reflects easing inflationary pressures, gradual normalization of monetary policies, resilient labour markets and continued recovery in global trade, although downside risks remain from geopolitical conflicts, trade fragmentation and climate-related shocks.

Source: International Monetary Fund (IMF) and World Economic Outlook (WEO)

i. Advanced Economies (United States of America, Euro Area and Japan)

Growth in advanced economies remains subdued due to weak productivity growth, ageing populations, elevated public debt and lingering effects of tight monetary policies. Economic growth is estimated at **1.8 percent** in 2025 and is projected to improve slightly to **1.9 percent** in 2026, supported by easing inflation, improved household consumption and gradual recovery in investment. However, economic performance across the Euro Area and Japan continues to remain relatively modest compared to the United States.

Source: International Monetary Fund (IMF) and World Economic Outlook (WEO)

ii. Sub-Saharan Africa (South Africa, Nigeria and Kenya)

Economic growth in Sub-Saharan Africa continues to strengthen despite fiscal pressures, climate shocks and global economic uncertainties. Regional growth is estimated at **4.0 percent** in 2025 and is projected to rise to approximately **4.3 percent** in 2026, supported by improved agricultural production, easing inflation, increased public and private investment, stronger domestic demand and ongoing structural reforms across many African economies. Kenya continues to outperform the regional average owing to its diversified economy and sound macroeconomic management.

Source: Regional Economic Outlook for Sub-Saharan Africa.

B. Kenya's Economic Performance

Kenya's economy has remained resilient and continues to outperform both global and regional averages despite external shocks. The economy is estimated to have grown by **4.6 percent** in 2025, supported by improved agricultural production, stable macroeconomic conditions, recovery in tourism, financial services, information and communication technology, and resilient household consumption. Economic growth is projected to accelerate to **5.0 percent** in 2026 and **5.2 percent** in 2027, driven by continued implementation of the Bottom-Up Economic Transformation Agenda (BETA), increased private sector credit, improved infrastructure investment and favorable weather conditions supporting agricultural productivity.

Source: Kenya National Bureau of Statistics (KNBS)

i. Overall Inflation Developments

Overall inflation has remained within the Government target range of **5.0 ± 2.5 percent** despite temporary upward pressure arising from higher fuel prices following geopolitical tensions in the Middle East. Headline inflation increased from **4.4 percent** in January 2026 to **6.7 percent** in May 2026, remaining within the target band. The increase was mainly driven by higher energy and transport costs, while food inflation remained relatively contained due to favorable weather conditions and improved agricultural output. The inflation outlook remains stable, supported by prudent monetary policy and adequate food supply.

Source: Kenya National Bureau of Statistics (KNBS) and Central Bank of Kenya (CBK)

ii. Interest Rate Developments

The Central Bank of Kenya (CBK), through the Monetary Policy Committee (MPC), maintained an accommodative monetary policy stance after an extended easing cycle. Following successive reductions from **13.0 percent** in August 2024 to **8.75 percent** in

February 2026, the MPC retained the Central Bank Rate (CBR) at **8.75 percent** during both the April and June 2026 meetings to support private sector lending while safeguarding price and exchange rate stability. Market interest rates have continued to adjust downwards in response to the easing monetary policy, contributing to reduced borrowing costs for Government and the private sector.

Source: Monetary Policy Committee (MPC) and Central Bank of Kenya (CBK)

iii. Exchange Rate Developments

The Kenya Shilling has remained broadly stable against major international currencies, supported by strong diaspora remittances, improved tourism earnings, agricultural exports and adequate foreign exchange reserves. During the first half of 2026, the Kenya Shilling traded at approximately **Kshs.129–130** per US Dollar, reflecting improved market confidence and prudent monetary management. Foreign exchange reserves remained above **5.5 months** of import cover, providing an adequate buffer against external shocks and supporting exchange rate stability.

Source: Central Bank of Kenya (CBK)

C. Busia County Economic Outlook and Policies

The County Government of Busia recognizes the importance of a vibrant and diversified economy in improving livelihoods, creating employment, strengthening household incomes and enhancing the capacity to finance public services. The economic outlook will therefore focus on agriculture, trade, cross-border commerce, MSMEs, infrastructure, tourism, health and education.

Given Busia’s strategic position as a major gateway between Kenya and Uganda, the County will strengthen collaboration with the National Government, neighboring counties, the Government of Uganda, development partners, the private sector and other stakeholders. These partnerships will promote cross-border trade, improve transport and market infrastructure, facilitate the movement of goods and people, attract investment and enhance the competitiveness of local enterprises.

The County will also pursue joint policy initiatives and partnerships to expand economic opportunities, improve agricultural productivity and value addition, support Micro, Small and

Medium Enterprises (MSMEs), strengthen markets and cooperatives, and mobilize additional resources for priority development programmes.

Despite these opportunities, fiscal and implementation challenges, including constrained cash flows, pending bills, delays in exchequer releases, procurement bottlenecks and inadequate funding, continue to affect project implementation and service delivery. The County will therefore strengthen resource mobilization, expenditure prioritization, project management, procurement planning and cash-flow management.

D. Medium-Term Fiscal Framework

The medium-term fiscal strategy will focus on fiscal sustainability, enhanced own-source revenue mobilization, prudent expenditure management, improved cash-flow planning and progressive settlement of eligible pending bills, while directing resources towards programmes and projects with the greatest economic and social benefits.

i. Revenue Mobilization

Own-source revenue remains an important component of the County's fiscal framework. During **FY 2025/2026**, the County had a local revenue target of approximately **Kshs.999.76 million**. Performance has been constrained by incomplete automation, inadequate taxpayer mapping, preference for cash transactions among some cross-border traders, inadequate enforcement personnel, passive enforcement and weaknesses in revenue forecasting.

The County will intensify revenue mobilization through automation of feasible revenue streams, expansion of cashless payment systems, taxpayer mapping and profiling, stronger enforcement and compliance, improved deployment of revenue officers and enhanced monitoring of collection points.

ii. Expenditure Priorities

County expenditure will continue to focus on improved service delivery and sustainable economic development. Priority areas will include healthcare, roads and infrastructure, agriculture and livestock development, water and sanitation, education and ECDE, trade and enterprise development, environmental management and social protection.

Given the importance of agriculture to Busia households, the County will promote productivity, value addition, market access, extension services and climate-resilient agriculture. Investment in roads, markets and other infrastructure will improve connectivity and facilitate movement of agricultural produce and other goods.

The County will also strengthen health services, ECDE and other social services as key components of human capital development and inclusive growth.

The main expenditure categories will remain employee compensation, operations and maintenance, and development expenditure.

iii. Wage Bill Management

The County will continue to contain personnel costs and create fiscal space for development and service delivery through rationalization of the staff establishment, non-replacement of retired non-technical staff where appropriate, controlled recruitment based on staffing needs, and prioritization of entry-level recruitment where consistent with the approved establishment.

Payroll management, human resource planning and establishment controls will also be strengthened to keep recruitment and personnel expenditure within sustainable and legally prescribed limits. These measures will create additional fiscal space for priority development programmes while maintaining essential public services.

iv. Development Expenditure

The County Government will endeavor to maintain development expenditure at a minimum of **30 percent** of the County budget over the medium term, in line with the fiscal responsibility requirements under the PFM Act, 2012 and PFM (County Governments) Regulations, 2015.

Priority will be given to adequately funded, economically viable projects aligned with the County Integrated Development Plan (CIDP) and capable of generating measurable socio-economic benefits. Greater emphasis will be placed on completing ongoing projects before initiating new ones to maximize public investment and minimize stalled projects.

v. Asset and Liability Management

The continued adoption and strengthening of accrual accounting will improve the County's ability to comprehensively account for its assets, liabilities, revenues and expenditures, thereby enhancing transparency, accountability and the accuracy of its financial position.

Asset management will be strengthened through improved asset registers, verification and valuation, proper documentation and effective controls over acquisition, use and disposal of public assets.

vi. Debt and Pending Bills Management

Pending bills remain a significant fiscal challenge. As at **30th June 2026**, the County's verified pending bills amounted to **Kshs.3.514 billion**, comprising **Kshs.1.163 billion in development pending bills and Kshs. 2.351 billion in recurrent pending bills**. The County will prioritize the verification, validation and settlement of eligible pending bills in accordance with available resources and applicable laws.

Commitment controls will be strengthened to ensure that departments do not incur expenditure without adequate budgetary provision and assurance of funding. Cash-flow forecasting will also be improved to align expenditure commitments with expected revenue inflows.

E. Risks To The County Economic Outlook

The County's economic and fiscal outlook may be affected by slower economic growth, fluctuations in national transfers, weak own-source revenue performance, rising pending bills, high personnel costs, inflation and delays in exchequer releases. These risks could reduce fiscal space and affect development projects and service delivery.

The County also faces climate-related risks, including droughts and floods that may affect agriculture, household incomes, food security and revenue. Changes in regional trade policies, exchange rates, border controls and economic conditions in Uganda may also affect cross-border trade and related revenues.

Other risks include procurement delays, weak project implementation, revenue leakages, inadequate enforcement and limited implementation capacity, which may reduce the efficiency of public spending and delayed development objectives.

To mitigate these risks, the County will strengthen revenue mobilization, expenditure controls, cash-flow forecasting, procurement planning, project monitoring and risk management, while enhancing collaboration with the National Government, neighboring counties, Uganda, development partners and the private sector.

The County will also promote climate-resilient agriculture, economic diversification, digital revenue collection, improved financial management and timely settlement of eligible pending bills to strengthen resilience to economic and fiscal shocks and support sustainable development.

IV. RESOURCE ALLOCATION FRAMEWORK

A. Adjustment to the FY 2026/2027 Budget

The fiscal performance of FY 2025/2026 and the prevailing macroeconomic outlook will significantly influence the implementation of the FY 2026/2027 budget. Consequently, necessary budgetary adjustments will be undertaken to ensure that resources are aligned with priority programmes and projects and that implementation remains responsive to emerging fiscal realities.

Expenditure pressures, particularly the rising wage bill, continue to pose a significant fiscal risk and constrain the resources available for development expenditure. The pace of implementation and absorption of development projects also remains a key concern and will require close monitoring and appropriate corrective measures.

These risks will be closely monitored, and necessary adjustments will be made to the FY 2026/2027 budget based on actual revenue and expenditure performance, departmental absorption capacities, and emerging priorities. This will enhance fiscal discipline and ensure that limited resources are allocated to programmes with the greatest impact on service delivery and development.

The County has not fully achieved its own-source revenue targets for FY 2025/2026. There is therefore a need to strengthen revenue collection and enforcement measures while setting realistic and achievable revenue targets. Improved own-source revenue performance will enhance the County's capacity to finance priority programmes and reduce accumulation of pending bills arising from the revenue shortfalls.

B. Medium-Term Expenditure Framework

Over the medium term, the County will endeavor to rationalize and reduce non-priority expenditures in order to create fiscal space for priority programmes and projects. Resource allocation will be guided by efficiency, effectiveness, sustainability, and value for money.

The following criteria will guide the allocation of resources across departments:

- i. Linkage of programmes to the completion of ongoing projects, particularly those that require additional resources to achieve timely completion and realize their intended benefits.

- ii.** Alignment of programmes with the priorities of the Fourth Medium-Term Plan (MTP IV) of Kenya Vision 2030 and the County Integrated Development Plan (CIDP) 2023–2027.
- iii.** The extent to which a programme contributes to job creation, poverty reduction, and improvement of household incomes and livelihoods.
- iv.** The degree to which a programme addresses the core mandate and service delivery responsibilities of the respective department.
- v.** Expected outputs and outcomes of the programme, including its contribution to improved service delivery and socio-economic development.
- vi.** Cost-effectiveness and sustainability of the programme, including the efficient utilization of available resources and the long-term viability of interventions.
- vii.** The extent to which a programme addresses viable stalled projects and verified pending bills, with priority given to interventions that can be completed within the available fiscal space.
- viii.** Resource mobilization, including the capacity of programmes to leverage additional resources through partnerships with the National Government, development partners, private sector, and other stakeholders.

C. Proposed Revenue Projections

Table 23: Proposed Revenue Projections

Revenue Sources	Approved CFSP Ceilings	Revised Budget	Actual Receipts	Revenue Estimates	Projection		
	FY 2026/2027	FY 2025/2026	FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Administrative Services	17,971,505	12,104,805	3,409,021	17,971,505	14,768,656	16,245,521	17,870,073
Fire Safety	3,836,630	11,004,805	2,675,700	3,836,630	4,220,293	4,642,322	5,106,555
Payroll products	13,209,642	-	611,821	13,209,642	9,530,606	10,483,667	11,532,034
Impounding/Clamp, Fees	925,233	1,100,000	121,500	925,233	1,017,756	1,119,532	1,231,485
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness	79,627,889	126,327,240	47,122,688	79,627,889	80,590,678	88,649,746	97,514,720
Sugar Cane Cess	22,254,213	35,000,000	17,002,456	22,254,213	20,479,635	22,527,598	24,780,358
Transit Produce Cess	27,293,360	50,174,240	20,993,700	27,293,360	30,022,695	33,024,965	36,327,461
Tobacco Cess	1,701,980	3,500,000	2,094,278	1,701,980	1,872,178	2,059,396	2,265,335
Fish Cess	821,595	2,200,000	708,320	821,595	903,754	994,129	1,093,542
Tractor Hire Services	5,168,439	10,000,000	674,200	5,168,439	5,685,283	6,253,811	6,879,193
Agriculture Training Centre	3,565,200	4,500,000	1,155,056	3,565,200	3,921,720	4,313,892	4,745,281
Veterinary Services	8,173,938	5,782,200	1,943,430	-	-	-	-
Stock Sale	7,556,075	5,617,800	1,402,460	7,556,075	5,311,683	5,842,851	6,427,136
Fish Traders License	443,500	730,000	4,500	443,500	487,850	536,635	590,299
Fish Movement Permit	273,375	625,000	705,678	273,375	300,713	330,784	363,862
Livestock movement permit	-	-	-	2,800,000	3,080,000	3,388,000	3,726,800
Vaccination	-	-	-	500,000	550,000	605,000	665,500
Artificial Insemination	-	-	-	300,000	330,000	363,000	399,300
Slaughter premise licenses	915,750	-	-	1,115,750	1,227,325	1,350,058	1,485,063
Meat Carrier License	-	1,000,000	-	-	-	-	-
Meat inspection fees(Bovine, pigs, sheep and goats)	-	-	-	4,073,938	4,481,331	4,929,464	5,422,411
Reg. Of Boats License	387,625	-	-	387,625	426,388	469,026	515,929
Fisherman's License	439,250	200,000	-	439,250	483,175	531,493	584,642
Fish Import Permit	317,090	285,000	298,610	317,090	348,799	383,679	422,047
Wakhungu Fish Farm	-	500,000	-	-	-	-	-
Cage Licensing	299,000	6,000,000	-	299,000	328,900	361,790	397,969
Fingerling Sale	17,500	213,000	140,000	17,500	19,250	21,175	23,293
Certificate of Transport	-	-	-	300,000	330,000	363,000	399,300
Automation for licenses for Agro-dealers	-	-	-	-	-	-	-
Youth, Sports, Culture, Gender, Creative Arts and Social Services	343,059	700,000	139,400	343,059	377,365	415,101	456,612
Hire Of Hall / Office	119,775	200,000	37,000	119,775	131,753	144,928	159,421
Hire of Busia County Stadium	-	-	-	-	-	-	-
Registration/ Renewal of SHGs, CBOs, Women groups and Youth groups	223,284	500,000	102,400	223,284	245,612	270,174	297,191
Community Cultural Centres	-	-	-	-	-	-	-
Lands, Housing And Urban Development	78,224,266	154,885,495	31,480,659	78,224,266	65,046,693	71,551,362	78,706,498
Plot Rent	7,438,353	2,842,369	1,246,470	7,438,353	5,182,188	5,700,407	6,270,447
Plot Rent Arrears	-	2,500,000	347,604	-	-	-	-
Cilor(Contributions in lieu of rates) Arrears	-	9,708,510	-	-	-	-	-
Cilor	2,994,750	7,200,000	33,200	2,994,750	2,294,225	2,523,648	2,776,012
Rent/Gov Houses	6,540,580	6,000,000	1,885,945	6,540,580	5,194,637	5,714,101	6,285,511
Land Rates	24,307,950	11,000,000	4,227,043	24,307,950	15,738,745	17,312,620	19,043,882
Land Rates (Arrears)	5,320,905	68,227,438	1,459,120	5,320,905	5,852,996	6,438,295	7,082,125
Application Of Plans	78,200	5,565,000	14,300	78,200	86,020	94,622	104,084
Building Plans Approval	4,302,900	7,500,000	2,437,800	4,302,900	4,733,190	5,206,509	5,727,160
Solid Waste	-	-	-	-	-	-	-
advertisement	27,240,629	34,292,178	19,829,177	27,240,629	25,964,692	28,561,161	31,417,277
Animal Control and Welfare	-	50,000	-	-	-	-	-
Transport, Roads and Public Works	46,141,796	54,510,654	20,824,992	46,141,796	30,755,976	33,831,573	37,214,730
Trailer Parking Fees	3,554,213	6,245,864	2,670,800	3,554,213	3,909,634	4,300,598	4,730,658
Reserved Parking	9,316,875	10,252,436	6,001,591	9,316,875	10,248,563	11,273,419	12,400,761
Bus Parking Fees	33,236,208	31,960,104	12,105,601	33,236,208	16,559,829	18,215,812	20,037,393
Machine Hire	34,500	6,052,250	47,000	34,500	37,950	41,745	45,920
Water, Environment, Irrigation, Natural Resources and Climate Change	10,343,466	21,874,201	4,511,573	10,343,466	11,377,812	12,515,593	13,767,153
Solid Waste	3,937,600	4,000,000	1,728,800	3,937,600	4,331,360	4,764,496	5,240,946
Sand Cess	3,487,007	7,000,000	1,480,400	3,487,007	3,835,708	4,219,278	4,641,206
Busia Hills Water Supply	688,740	1,024,625	606,686	688,740	757,614	833,375	916,712
Busijo Water Supply	204,016	534,185	32,730	204,016	224,417	246,859	271,545
Alema Water Supply	-	195,077	-	-	-	-	-
Munana Water Supply	182,522	1,368,726	2,500	182,522	200,774	220,852	242,937
Butula Water Supply	757,551	1,234,428	228,947	757,551	833,306	916,637	1,008,300

Revenue Sources	Approved CFSP Ceilings	Revised Budget	Actual Receipts	Revenue Estimates	Projection		
	FY 2026/2027	FY 2025/2026	FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Port Victoria Water Supply	856,030	2,298,969	88,910	856,030	941,633	1,035,796	1,139,376
Drilling Rig	-	2,776,605	-	-	-	-	-
Noise	230,000	733,422	342,600	230,000	253,000	278,300	306,130
Water Bowser	-	708,164	-	-	-	-	-
Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SME)	128,854,301	184,295,548	93,654,664	128,854,301	119,301,834	131,232,017	144,355,219
Liquor License	1,725,000	12,000,000	-	1,725,000	1,897,500	2,087,250	2,295,975
Single Business Permit	100,817,507	121,400,662	82,474,874	100,817,507	95,461,361	105,007,497	115,508,247
Market Stall / Kiosk	936,071	4,000,000	477,470	936,071	1,029,678	1,132,646	1,245,911
Charcoal Fees	-	-	-	-	-	-	-
Markets Fees	25,238,780	30,846,279	10,372,100	25,238,780	20,762,658	22,838,924	25,122,817
Weights & Measures	43,700	5,300,000	296,000	43,700	48,070	52,877	58,165
Co-Operatives Audit Fees	75,992	2,400,000	24,220	75,992	83,591	91,950	101,145
Other Miscellaneous	17,250	8,348,607	10,000	17,250	18,975	20,873	22,960
Local Own Source Revenue	361,506,282	554,697,943	203,907,247	361,506,282	322,219,013	354,440,914	389,885,005
Health Services and Sanitation	443,475,418	445,062,668	2,764,250	443,475,418	497,822,960	547,605,256	602,365,781
Mortuary Fees(Facilities)	8,769,814	9,191,818	-	8,769,814	9,646,795	10,611,475	11,672,622
Slaughter Fees	-	5,270,634	479,850	-	-	-	-
Public Health	8,013,800	152,241,680	2,284,400	8,013,800	8,815,180	9,696,698	10,666,368
Hospital User Fees-(Facilities)	189,284,431	278,358,536	-	189,284,431	208,212,874	229,034,162	251,937,578
SHA(Facilities)	237,407,373	-	-	237,407,373	271,148,110	298,262,921	328,089,213
Busia County Referral Hospital	160,417,146	136,609,461	136,708,292	160,417,146	176,458,861	194,104,747	213,515,221
Mortuary Fees	3,335,861	2,768,234	-	3,335,861	3,669,447	4,036,392	4,440,031
Hospital User Fees-	73,870,027	62,493,636	-	73,870,027	81,257,030	89,382,733	98,321,006
SHA	83,211,258	71,347,591	-	83,211,258	91,532,384	100,685,622	110,754,184
Khunyangu Sub County Hospital	31,250,114	30,341,189	21,344,064	31,250,114	34,375,125	37,812,638	37,812,638
Hospital User Fees-	14,263,486	7,752,618	-	14,263,486	15,689,835	17,258,818	18,984,700
SHA	16,986,628	22,588,571	-	16,986,628	18,685,291	20,553,820	22,609,202
Nambale Sub County Hospital	21,000,436	21,715,628	17,447,820	21,000,436	23,100,480	25,410,528	27,951,580
Hospital User Fees-	9,634,647	6,309,956	-	9,634,647	10,598,112	11,657,923	12,823,715
SHA	11,365,789	15,405,672	-	11,365,789	12,502,368	13,752,605	15,127,865
Alupe Sub County Hospital	23,241,956	22,947,108	23,210,479	23,241,956	25,566,152	28,122,767	28,122,767
Mortuary Fees	381,436	881,917	-	381,436	419,580	461,538	507,691
Hospital User Fees-	6,714,089	4,491,575	-	6,714,089	7,385,498	8,124,048	8,936,452
SHA	16,146,431	17,573,616	-	16,146,431	17,761,074	19,537,182	21,490,900
Teso North Sub County Hospital	32,349,175	23,609,579	30,550,440	32,349,175	35,584,093	35,584,093	35,584,093
Mortuary Fees	2,754,606	3,099,451	-	2,754,606	3,030,067	3,333,073	3,666,381
Hospital User Fees-	10,300,481	6,092,053	-	10,300,481	11,330,529	12,463,582	13,709,940
SHA	19,294,088	14,418,075	-	19,294,088	21,223,497	23,345,846	25,680,431
Sio Port Sub County Hospital	13,911,874	12,771,674	8,474,213	13,911,874	15,303,061	15,303,061	15,303,061
Hospital User Fees-	4,523,382	2,895,456	-	4,523,382	4,975,720	5,473,292	6,020,621
SHA	9,388,492	9,876,218	-	9,388,492	10,327,341	11,360,075	12,496,083
Port Victoria Sub County Hospital	35,256,863	40,735,258	16,916,057	35,256,863	38,782,549	38,782,549	38,782,549
Mortuary Fees	2,297,911	2,442,216	-	2,297,911	2,527,702	2,780,472	3,058,520
Hospital User Fees-	6,110,204	3,942,354	-	6,110,204	6,721,224	7,393,347	8,132,682
SHA	26,848,748	34,350,688	-	26,848,748	29,533,623	32,486,985	35,735,684
Matayos Sub County Hospital	6,059,333	6,717,348	6,413,677	6,059,333	6,665,266	6,665,266	6,665,266
Hospital User Fees-	3,638,557	5,480,181	-	3,638,557	4,002,413	4,402,654	4,842,919
SHA	2,420,776	1,237,167	-	2,420,776	2,662,854	2,929,139	3,222,053
Amukura Sub County Hospital	8,443,135	8,210,092	11,093,066	8,443,135	9,287,449	9,287,449	9,287,449
Hospital User Fees-	5,273,792	3,730,552	-	5,273,792	5,801,171	6,381,288	7,019,417
SHA	3,169,343	4,479,540	-	3,169,343	3,486,277	3,834,905	4,218,396
Bumala B Sub County Hospital	7,396,119	4,105,046	6,592,139	7,396,119	8,135,731	8,135,731	8,135,731
Hospital User Fees-	5,341,361	3,221,022	-	5,341,361	5,875,497	6,463,047	7,109,351
SHA	2,054,758	884,024	-	2,054,758	2,260,234	2,486,257	2,734,883
Mukhobola Sub County Hospital	5,612,684	8,210,092	5,791,501	5,612,684	6,173,952	6,173,952	6,173,952
Hospital User Fees-	2,983,196	3,344,368	-	2,983,196	3,281,516	3,609,667	3,970,634
SHA	2,629,488	4,865,724	-	2,629,488	2,892,437	3,181,680	3,499,849
Angurai Sub County Hospital	4,090,697	7,463,720	4,700,713	4,090,697	4,499,767	4,499,767	4,499,767
Hospital User Fees-	3,015,398	5,719,499	-	3,015,398	3,316,938	3,648,632	4,013,495
SHA	1,075,299	1,744,221	-	1,075,299	1,182,829	1,301,112	1,431,223
Lupida Sub County Hospital	9,280,267	8,210,092	14,625,880	9,280,267	10,208,294	10,208,294	10,208,294
Hospital User Fees-	4,988,663	7,636,545	-	4,988,663	5,487,529	6,036,282	6,639,910
SHA	4,291,604	573,547	-	4,291,604	4,720,764	5,192,841	5,712,125
Health Centres - 18No	48,524,671	64,045,747	75,140,391	48,524,671	63,377,138	69,714,852	76,686,337
Hospital User Fees-	10,000,000	25,827,515	-	10,000,000	11,000,000	12,100,000	13,310,000
SHA	38,524,671	38,218,232	-	38,524,671	52,377,138	57,614,852	63,376,337

Revenue Sources	Approved CFSP Ceilings	Revised Budget	Actual Receipts	Revenue Estimates	Projection		
	FY 2026/2027	FY 2025/2026	FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Dispensaries	28,627,148	44,100,000	114,142,546	28,627,148	31,489,863	31,489,863	31,489,863
Hospital User Fees-	28,627,148	3,304,350		28,627,148	31,489,863	34,638,849	38,102,734
SHA		40,795,650				-	-
CPHRA		-	3,871,448	-	-	-	-
Appropriation in Aid	443,475,418	445,062,668	497,022,726	443,475,418	497,822,960	530,992,253	560,884,936
				-			
Total Own Source Revenue	804,981,700	999,760,611	700,929,973	804,981,700	820,041,973	885,433,167	950,769,941
Equitable Share.	8,052,092,605	7,956,564,058	7,956,564,058	8,052,092,605	8,213,134,457	8,262,706,037	8,390,705,875
Other Grants	936,651,545	1,101,725,837	728,472,124	1,366,528,258	1,236,028,258	1,236,028,258	1,236,028,258
Balance B/F		1,101,427,966	509,371,640	-	-	-	-
Grand Total	9,793,725,850	11,159,478,472	9,895,337,795	10,223,602,563	10,269,204,688	10,384,167,463	10,577,504,074

Source: Busia County Treasury, 2026

D. Proposed Departmental Ceilings

The County Government through the 2026 CBROP proposes departmental ceilings for the FY 2027/2028 and MTEF. The proposed departmental ceilings are as summarized in the table below;

Table 24: Departmental Proposed Ceilings FY 2027/2028 and the Medium Term

Vote Title	Economic Classification	Actual Expenditure	Approved Budget	CBROP PROPOSED CEILINGS			% SHARE OF TOTAL ESTIMATES		
		FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 27/28	FY 28/29	FY 29/30
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	[%]	[%]	[%]
Smart Agriculture, Livestock, Fisheries, Blue Economy and Agribusiness	Recurrent	238,024,605	239,241,899	241,867,703	244,524,432	247,940,931	2.36%	2.35%	2.34%
	Employee Compensation	215,782,822	215,903,416	218,062,450	220,243,075	222,445,505	2.12%	2.12%	2.10%
	Operations and Maintenance	22,241,783	23,338,483	23,805,253	24,281,358	25,495,426	0.23%	0.23%	0.24%
	Development	434,327,607	654,155,273	608,204,479	614,286,524	620,429,389	5.92%	5.92%	5.87%
	Total	672,352,212	893,397,172	850,072,182	858,810,956	868,370,320	8.28%	8.27%	8.21%
Trade, Investment, Industrialization, Co-operatives, Small and Micro Enterprises (SME)	Recurrent	61,260,395	99,631,801	101,605,504	103,647,813	105,761,858	0.99%	1.00%	1.00%
	Employee Compensation	54,079,435	75,197,182	75,949,154	76,708,645	77,475,732	0.74%	0.74%	0.73%
	Operations and Maintenance	7,180,960	24,434,619	25,656,350	26,939,167	28,286,126	0.25%	0.26%	0.27%
	Development	133,459,164	151,640,522	194,000,000	204,080,804	218,366,460	1.89%	1.97%	2.06%
	Total	194,719,559	251,272,323	295,605,504	307,728,617	324,128,318	2.88%	2.96%	3.06%
Education and Industrial Skills Development	Recurrent	650,254,002	720,012,731	727,869,643	735,818,259	743,859,760	7.09%	7.09%	7.03%
	Employee Compensation	560,030,867	654,334,289	660,877,632	667,486,408	674,161,272	6.44%	6.43%	6.37%
	Operations and Maintenance	90,223,135	65,678,442	66,992,011	68,331,851	69,698,488	0.65%	0.66%	0.66%
	Development	166,347,029	140,244,078	155,240,000	158,344,800	163,095,144	1.51%	1.52%	1.54%
	Total	816,601,031	860,256,809	883,109,643	894,163,059	906,954,904	8.60%	8.61%	8.57%
The County Treasury and Economic Planning	Recurrent	607,102,452	770,344,249	780,520,349	788,325,552	796,208,808	7.60%	7.59%	7.53%
	Employee Compensation	300,052,901	332,249,737	338,044,892	341,425,341	344,839,594	3.29%	3.29%	3.26%
	Operations and Maintenance	307,049,551	438,094,512	442,475,457	446,900,212	451,369,214	4.31%	4.30%	4.27%
	Development	-	75,000,000	15,000,000	15,000,000	20,000,000	0.15%	0.14%	0.19%
	Total	607,102,452	845,344,249	795,520,349	803,325,552	816,208,808	7.75%	7.74%	7.72%
Youth, Sports, Culture, Gender, Creative Arts and Social Services	Recurrent	218,468,374	90,096,410	92,213,670	95,032,318	97,005,735	0.90%	0.92%	0.92%
	Employee Compensation	52,333,826	58,563,246	59,734,511	60,929,201	61,538,493	0.58%	0.59%	0.58%
	Operations and Maintenance	166,134,548	31,533,164	32,479,159	34,103,117	35,467,242	0.32%	0.33%	0.34%
	Development	5,485,373	98,938,200	66,000,000	50,749,387	54,231,844	0.64%	0.49%	0.51%
	Total	223,953,747	189,034,610	158,213,670	145,781,705	151,237,579	1.54%	1.40%	1.43%
Transport, Roads and Public Works	Recurrent	128,549,571	125,714,796	129,486,240	133,370,827	136,038,244	1.26%	1.28%	1.29%
	Employee Compensation	83,383,872	68,548,614	70,605,072	72,723,225	74,177,689	0.69%	0.70%	0.70%
	Operations and Maintenance	45,165,699	57,166,182	58,881,167	60,647,602	61,860,555	0.57%	0.58%	0.58%
	Development	458,402,204	502,273,265	487,000,000	496,740,000	506,674,800	4.74%	4.78%	4.79%
	Total	586,951,775	627,988,061	616,486,240	630,110,827	642,713,044	6.00%	6.07%	6.08%
Public Service Management	Recurrent	852,605,760	748,737,757	756,225,135	763,787,386	771,425,260	7.36%	7.36%	7.29%
	Employee Compensation	452,090,896	297,161,858	300,133,477	303,134,811	306,166,159	2.92%	2.92%	2.89%
	Operations and Maintenance	400,514,864	451,575,899	456,091,658	460,652,575	465,259,100	4.44%	4.44%	4.40%
	Development	-	352,500,000	352,500,000	352,500,000	352,500,000	3.43%	3.39%	3.33%
	Total	852,605,760	1,101,237,757	1,108,725,135	1,116,287,386	1,123,925,260	10.80%	10.75%	10.63%

Vote Title	Economic Classification	Actual Expenditure	Approved Budget	CBROP PROPOSED CEILINGS			% SHARE OF TOTAL ESTIMATES		
		FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 27/28	FY 28/29	FY 29/30
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	[%]	[%]	[%]
Lands, Housing and urban Development	Recurrent	169,809,711	73,241,070	75,188,431	77,216,012	79,327,655	0.73%	0.74%	0.75%
	Employee Compensation	65,192,122	42,867,322	43,295,995	43,728,955	44,166,245	0.42%	0.42%	0.42%
	Operations and Maintenance	104,617,589	30,373,748	31,892,435	33,487,057	35,161,410	0.31%	0.32%	0.33%
	Development	34,235,160	35,000,000	55,000,000	48,000,000	55,000,000	0.54%	0.46%	0.52%
	Total	204,044,871	108,241,070	130,188,431	125,216,012	134,327,655	1.27%	1.21%	1.27%
Busia Municipality	Recurrent	-	22827311	23,455,584	25,603,363	28,283,531	0.23%	0.25%	0.27%
	Employee Compensation	-	12,827,311	12,955,584	13,603,363	14,283,531	0.13%	0.13%	0.14%
	Operations and Maintenance	-	10,000,000	10,500,000	12,000,000	14,000,000	0.10%	0.12%	0.13%
	Development	-	184,000,000	214,500,000	200,000,000	220,000,000	2.09%	1.93%	2.08%
	Total	-	206827311	237,955,584	225,603,363	248,283,531	2.32%	2.17%	2.35%
Malaba Municipality	Recurrent	-	15,751,554	16,309,070	17,983,342	20,162,842	0.16%	0.17%	0.19%
	Employee Compensation	-	5,751,554	5,809,070	5,983,342	6,162,842	0.06%	0.06%	0.06%
	Operations and Maintenance	-	10,000,000	10,500,000	12,000,000	14,000,000	0.10%	0.12%	0.13%
	Development	-	46,000,000	60,000,000	65,000,000	70,000,000	0.58%	0.63%	0.66%
	Total	-	61,751,554	76,309,070	82,983,342	90,162,842	0.74%	0.80%	0.85%
Water, Environment, Irrigation, Natural Resources and Climate Change	Recurrent	128,371,162	131,146,678	134,306,216	137,271,375	140,304,208	1.31%	1.32%	1.33%
	Employee Compensation	93,356,845	104,316,451	106,402,780	108,530,836	110,701,452	1.04%	1.05%	1.05%
	Operations and Maintenance	35,014,317	26,830,227	27,903,436	28,740,539	29,602,755	0.27%	0.28%	0.28%
	Development	272,246,772	531,947,314	421,000,000	429,420,000	438,008,400	4.10%	4.14%	4.14%
	Total	400,617,934	663,093,992	555,306,216	566,691,375	578,312,608	5.41%	5.46%	5.47%
Health Services and Sanitation	Recurrent	2,548,623,418	2,602,131,115	2,639,115,072	2,670,478,339	2,702,254,681	25.70%	25.72%	25.55%
	Employee Compensation	2,052,716,185	2,099,905,333	2,141,903,440	2,163,322,474	2,184,955,699	20.86%	20.83%	20.66%
	Operations and Maintenance	495,907,233	502,225,782	497,211,632	507,155,865	517,298,982	4.84%	4.88%	4.89%
	Development	112,965,975	245,061,769	308,000,000	320,320,000	329,929,600	3.00%	3.08%	3.12%
	Total	2,661,589,393	2,847,192,884	2,947,115,072	2,990,798,339	3,032,184,281	28.70%	28.80%	28.67%
County Public Service Board	Recurrent	63,245,662	97,747,874	100,479,955	102,093,016	103,734,374	0.98%	0.98%	0.98%
	Employee Compensation	29,059,066	39,261,139	39,653,750	40,050,288	40,450,791	0.39%	0.39%	0.38%
	Operations and Maintenance	34,186,596	58,486,735	60,826,204	62,042,728	63,283,583	0.59%	0.60%	0.60%
	Development								
	Total	63,245,662	97,747,874	100,479,955	102,093,016	103,734,374	0.98%	0.98%	0.98%
County Law Office	Recurrent	34,617,018	65,358,489	66,509,742	67,839,937	70,071,660	0.65%	0.65%	0.66%
	Employee Compensation	14,897,878	15,591,629	15,747,545	16,062,496	16,223,121	0.15%	0.15%	0.15%
	Operations and Maintenance	19,719,140	49,766,862	50,762,197	51,777,441	53,848,539	0.49%	0.50%	0.51%
	Development								
	Total	34,617,018	65,358,491	66,509,742	67,839,937	70,071,660	0.65%	0.65%	0.66%
	Recurrent	39,446,471	55,559,364	45,758,160	46,215,742	47,286,275	0.45%	0.45%	0.45%
	Employee Compensation	29,145,000	35,679,743	25,679,743	25,936,540	26,195,906	0.25%	0.25%	0.25%

Vote Title	Economic Classification	Actual Expenditure	Approved Budget	CBROP PROPOSED CEILINGS			% SHARE OF TOTAL ESTIMATES		
		FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 27/28	FY 28/29	FY 29/30
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	[%]	[%]	[%]
Strategic Partnerships and Digital Economy	Operations and Maintenance	10,301,471	19,879,621	20,078,417	20,279,201	21,090,369	0.20%	0.20%	0.20%
	Development	450,000	70,950,000	61,000,000	63,440,000	65,977,600	0.59%	0.61%	0.62%
	Total	39,896,471	126,509,364	106,758,160	109,655,742	113,263,875	1.04%	1.06%	1.07%
The Governorship	Recurrent	273,997,643	357,481,286	361,056,099	364,666,660	368,313,326	3.52%	3.51%	3.48%
	Employee Compensation	186,972,527	194,456,508	196,401,073	198,365,084	200,348,735	1.91%	1.91%	1.89%
	Operations and Maintenance	87,025,116	163,024,778	164,655,026	166,301,576	167,964,592	1.60%	1.60%	1.59%
	Development	11,941,858	21,269,710	78,000,000	81,900,000	85,995,000	0.76%	0.79%	0.81%
	Total	285,939,501	378,750,996	439,056,099	446,566,660	454,308,326	4.28%	4.30%	4.30%
County Assembly	Recurrent	848,795,577	869,598,046	871,793,638	880,511,574	889,316,690	8.49%	8.48%	8.41%
	Employee Compensation	423,273,195	439,118,321	441,313,913	445,727,052	450,184,322	4.30%	4.29%	4.26%
	Operations and Maintenance	425,522,382	430,479,725	430,479,725	434,784,522	439,132,367	4.19%	4.19%	4.15%
	Development	33,127,740	30,000,000	30,000,000	30,000,000	30,000,000	0.29%	0.29%	0.28%
	Total	881,923,317	899,598,046	901,793,638	910,511,574	919,316,690	8.78%	8.77%	8.69%
	Grand Total	8,526,160,703	10,223,602,563	10,269,204,687	10,384,167,463	10,577,504,074	100.00%	100.00%	100.00%
Summary	Recurrent	6,863,171,821	7,084,622,430	7,163,760,208	7,254,385,948	7,347,295,837	69.76%	69.86%	69.46%
	Employee Compensation	4,612,229,994	4,691,733,653	4,752,570,080	4,803,961,136	4,854,477,089	46.28%	46.26%	45.89%
	Operations and Maintenance	2,250,941,827	2,392,888,777	2,411,190,128	2,450,424,812	2,492,818,748	23.48%	23.60%	23.57%
	Development	1,662,988,882	3,138,980,131	3,105,444,479	3,129,781,515	3,230,208,237	30.24%	30.14%	30.54%
	Grand Total	8,526,160,703	10,223,602,563	10,269,204,687	10,384,167,463	10,577,504,074	100.00%	100.00%	100.00%

Source: Busia County Treasury, 2026

CEILINGS JUSTIFICATIONS

1. Revenue Projections

The revenue projections for FY 2027/2028 have been developed with due consideration to the prevailing fiscal and economic environment, historical revenue performance, the projected growth of the County's resource base, and the need to ensure a realistic and sustainable financing framework for the County Government's programmes and priorities.

1.1 Equitable Share

The County Government projects to receive **Kshs.8.213 Billion** in Equitable Share in FY 2027/2028. This represents an increase of **Kshs.256.57 million** equivalent to a **3.22 percent** growth, from the **Kshs.7.957 billion** received in FY 2025/2026.

The projected increase is informed by the anticipated growth in the national revenue base and the corresponding allocation to counties through the equitable sharing mechanism. The projection also takes into account the need to provide a stable and predictable source of financing for the delivery of devolved functions and the implementation of priority programmes and projects.

1.2 Own Source Revenue

Own Source Revenue (OSR) is projected at **Kshs.820.04 million** in FY 2027/2028, representing an increase of **Kshs.119.11 million** equivalent to a **16.99 percent** growth, from **Kshs.700.93 million** recorded in FY 2025/2026.

The projected growth reflects the County Government's continued efforts to strengthen revenue administration and collection. The increase is expected to be supported by enhanced revenue enforcement, improved revenue collection systems, expansion of the revenue base, minimization of leakages, improved compliance by taxpayers and service users, and strengthening of revenue monitoring and accountability mechanisms.

The projection is therefore intended to reflect a gradual improvement in the County's capacity to mobilize locally generated resources and reduce over-reliance on transfers from the National Government.

1.3 Conditional Grants

Revenue from conditional grants is projected at **Kshs.1..236 billion** in FY 2027/2028. This represents an increase of **Kshs.507.56 million** equivalent to a **69.67 percent** growth, from the **Kshs..728.47 billion** received in FY 2025/2026.

The projected increase is largely premised on anticipated support from development partners and other grant-financing arrangements aimed at complementing the County Government's own resources in financing specific programmes and projects. The additional resources are expected to support priority interventions in sectors such as health, agriculture, water, infrastructure, social protection, and other development priorities, subject to the confirmation and execution of the respective financing arrangements.

2. Expenditure Projections

The expenditure ceilings for FY 2027/2028 have been developed based on the projected resource envelope and in accordance with the County Government's strategic priorities, fiscal responsibility principles, and the need to maintain a sustainable balance between recurrent and development expenditure.

The projections by economic classification are compared against the FY 2025/2026 expenditure, which serves as the base year, to demonstrate the anticipated changes in resource requirements and expenditure priorities.

2.1 Employee Compensation

Expenditure on employee compensation is projected at **Kshs.4.753 Billion** in FY 2027/2028, compared to **Kshs.4.692 Billion** in FY 2026/2027. This represents an increase of **Kshs. 0.061 million**, equivalent to a **1.30 percent** growth.

The projected increase is primarily attributable to the anticipated changes in the wage bill arising from annual salary adjustments, statutory requirements, staff progression and other employment-related obligations. The provision also recognizes the need to maintain an adequately staffed workforce to support effective delivery of devolved functions and the implementation of County Government programmes.

However, the growth in employee compensation continue to be managed within the principles of fiscal sustainability, with emphasis on controlling unnecessary expansion of the wage bill and ensuring that personnel expenditure remains within affordable and sustainable limits.

2.2 Operations and Maintenance

Operations and Maintenance (O&M) expenditure is projected at **Kshs.2.411 billion** in FY 2027/2028, compared to **Kshs.2.393 billion** in FY 2026/2027. This represents an increase of **Kshs.0.018 million** equivalent to a **4.31 percent** growth.

The projected increase is intended to cater for the rising operational costs associated with the delivery of County Government services and the implementation of planned programmes. It will support essential expenditures including utilities, maintenance of County assets and facilities, transport and field operations, supplies, communication, and other administrative and service-delivery requirements.

The allocation will be guided by the need to ensure value for money, enhance operational efficiency, and safeguard the continuity and quality of public service delivery. Departments will be expected to prioritize essential expenditures and strengthen expenditure controls to ensure that available resources are utilized efficiently and prudently.

2.3 Development Expenditure

Development expenditure is projected at **Kshs.3.105 billion** in FY 2027/2028, compared to **Kshs.3.163 billion** in FY 2026/2027. This represents a decrease of **Kshs. 0.058 billion**.

V. CONCLUSION AND NEXT STEPS

Conclusion

In conclusion, the review of the County's fiscal performance for the Financial Year 2025/2026 provides important insights into the progress made towards achieving the County's strategic and fiscal objectives. While notable progress has been recorded, challenges persist, particularly in own-source revenue mobilization and expenditure absorption. These challenges underscore the need to strengthen fiscal discipline, improve the efficiency and effectiveness of resource utilization, and ensure that budgetary allocations remain aligned with the County's development priorities.

The fiscal performance of FY 2025/2026 had a moderate impact on the financial objectives set out in the County Fiscal Strategy Paper (CFSP) 2026, particularly with regard to the achievement of projected revenue targets and the implementation of the FY 2026/2027 Budget Estimates. The lessons drawn from the period under review will inform subsequent budget formulation, revenue enhancement measures, expenditure management, and resource allocation decisions.

This County Budget Review and Outlook Paper (CBROP) reaffirms the County Government's commitment to adhering to the fiscal responsibility principles set out in the Public Finance Management (PFM) Act, 2012. At the same time, the County will continue to ensure that its strategic priorities and development objectives remain the basis for the allocation and utilization of public resources.

NEXT STEPS

To build on the lessons and experiences arising from the fiscal performance of FY 2025/2026 and ensure effective implementation of the County's strategic priorities, the County Government will focus on strengthening revenue mobilization through enhanced compliance, automation of revenue collection systems, improved enforcement, and expansion of the revenue base. Particular attention will be given to addressing revenue leakages and improving the efficiency and accountability of revenue administration.

The County will also enhance budget absorption and implementation by ensuring timely procurement, effective project management, improved coordination among departments, and timely disbursement of funds. Greater emphasis will be placed on monitoring project implementation and addressing bottlenecks that may delay the utilization of approved resources.

In addition, the County will strengthen fiscal discipline and expenditure management through strict adherence to the Public Finance Management Act, 2012, applicable regulations, and approved budgetary frameworks. Expenditure will be prioritized towards programmes and projects that provide the greatest value for money and contribute directly to improved service delivery and socio-economic development.

Priority will also be given to ensuring that budgetary allocations are fully aligned with the County Integrated Development Plan (CIDP), County Fiscal Strategy Papers (CFSPs), and

other approved policy frameworks. This will ensure that available resources are directed towards clearly identified development priorities, completion of ongoing projects, and interventions with measurable outputs and outcomes.

The County will further strengthen institutional and human resource capacity to improve financial planning, budget execution, monitoring, evaluation, reporting, and accountability. This will include enhancing the capacity of departments to undertake realistic planning, prepare quality budgets, monitor implementation, and evaluate programme performance.

Finally, the County will deepen stakeholder engagement and partnerships with the National Government, development partners, private sector, civil society, and the public. These engagements will promote transparency, accountability, public participation, and resource mobilization while creating opportunities for partnerships and additional financing for priority programmes and projects.

ANNEX I: BUDGET CALENDER FOR FY 2027/2028 AND MEDIUM TERM

ACTIVITY	RESPONSIBILITY	TIMELINE
1. Develop and issue MTEF Guidelines and (Budget Calendar)- Section 128 of PFMA, 2012	County Treasury	30 th August 2026
2. Development of Annual Development Plan-Section 126 of PFMA,2012		
2.1 Submission of Information for Preparation of Annual Development Plan (ADP)	County Treasury & Economic Planning/CBEF	20 th July, 2026
2.2 Preparation of Draft Annual Development Plan	Economic Planning	08 th August, 2026
2.3 Public Participation on ADP	County Treasury & Economic Planning	20 th August, 2026
2.4 Submission of County Annual Development Plan to County Executive Committee	County Treasury & Economic Planning	24 th August, 2026
2.5 Approval of County Annual Development Plan by County Executive Committee	County Treasury & Economic Planning	28 th August, 2026
2.6 Submission of County Annual Development Plan to County Assembly	County Treasury & Economic Planning	01 st September, 2026
2.7 Publish and Publicize Executive Approved ADP	County Treasury & Economic Planning	07 th September, 2026
2.8 Approval of Annual Development Plan by the County Assembly	County Assembly	14 th September, 2026
2.9 Consolidate, Publish and Publicize of the County Assembly Approved ADP	County Treasury	04 th October, 2026
3. Preparation of County Budget Review and Outlook Paper (CBROP) Section 118 of PFMA,2012		
3.1 Request County Government Entities/ Departments to submit information on CBROP	CEC Member- County Treasury and Economic Planning	13 th August, 2026
3.2 Submission of Information necessary for the Development of County Budget Review and Outlook Paper	All Departments	24 th August, 2026
3.3 Develop Draft County Budget Review and Outlook Paper (CBROP)	County Treasury	23 rd September, 2026
3.4 Submit Proposed County Budget Review and Outlook Paper (CBROP) to the County Executive Committee.	County Treasury	30 th September, 2026
3.5 Deliberation and Approval of the CBROP	County Executive Committee	14 th October, 2026
3.6 Submission of Approved CBROP to the County Assembly	County Treasury	21 st October, 2026
3.7 Publish and Publicize Executive Approved CBROP	County Treasury	21 st October, 2026
4. Preparation and Approval of Supplementary Budget Estimates- Section 135 of PFMA,2012		
4.1 Request County Government Entities/Departments to submit their Supplementary budget estimates	CEC Member- County Treasury and Economic Planning	03 rd August, 2026
4.2 Submission of Supplementary Budget Estimates to the County Treasury by Departments	County Executive Committee Members	10 th August, 2026
4.3 Consolidation of Departmental submissions into proposed supplementary Budget Estimates	Director Budget/Budget Officers	24 th August, 2026
4.4 Submission of Proposed Supplementary Budget Estimates to County Executive Committee	CECM- County Treasury and Economic Planning	31 st August, 2026
4.5 Approval of Supplementary Budget Estimates by County Executive Committee	County Executive Committee	04 th September, 2026
4.6 Submission of Executive Committee Approved Supplementary Budget Estimates and Appropriation Bill to the County Assembly for approval	CECM- County Treasury and Economic Planning	07 th September, 2026
4.7 Publish and Publicize Executive Approved Supplementary Budget Estimates	CECM- County Treasury and Economic Planning	14 th September, 2026
4.8 Approval of Supplementary Budget Estimates and Appropriation Bill by the County Assembly	County Assembly	28 th September, 2026
4.9 Consolidate, Publish and Publicize the County Assembly Approved Supplementary Budget Estimates	CECM- County Treasury and Economic Planning	19 th October, 2026
5. Sector Reports		
5.1 Submission of Information for Preparation of Sector Reports	All Departments	07 th September, 2026
5.2 Preparation of Sector Report	Sector Working Groups	22 nd September, 2026
5.3 Public Participation	County Treasury	12 th October, 2026
5.4 Consolidation of Sector Reports	County Treasury	21 st October, 2026
5.5 Submission of Sector Report to County Executive for approval	County Treasury	23 rd October, 2026
5.6 Deliberation and Approval of the Sector Reports	County Executive Committee	06 th November, 2026
5.7 Submission of Approved Sector Report to the County Assembly	County Treasury	09 th November, 2026
5.8 Publish and Publicize Executive Approved Sector Reports	County Treasury	30 th November, 2026
6. Development of County Fiscal Strategy Paper (CFSP)-Section 117 of the PFMA,2012 and Debt Management Strategy Paper (DMSP)-Section 123 of the PFMA,2012		

ACTIVITY	RESPONSIBILITY	TIMELINE
6.1 Request County Government Entities/ Departments to submit their information on CFSP	CEC Member- County Treasury and Economic Planning	19 th October, 2026
6.2 Submission of Information for Preparation of Draft County Fiscal Strategy Paper (CFSP)	All Departments/Sector Working Groups	26 th October, 2026
6.3 Draft County Fiscal Strategy Paper & Debt Management Strategy Paper	County Treasury	09 th November, 2026
6.4 Public Participation meetings of the draft CFSP as per PFMA,2012 Sec. 125	County Treasury/CBEF	16 th November, 2026
6.5 Submission of CFSP and Debt Management Strategy Paper (DMSP)to the County Executive Committee for approval	County Treasury	23 rd November, 2026
6.6 CFSP and DMSP Approval by County Executive Committee	County Executive Committee	30 th November, 2026
6.7 Submission of CFSP/Debt Management Strategy Paper to County Assembly for approval	County Treasury	08 th December, 2026
6.8 Publish and Publicize Executive Approved CFSP and DMSP.	County Treasury	16 th December 2026
6.9 Approval of CFSP & DMSP by County Assembly	County Assembly	22 nd December, 2026
6.10 Aligning CFSP to the recommendations of the County Assembly and Publish & Publicize	County Treasury	11 th January, 2027
7. Preparation and Approval of Budget Estimates- Section 125 of the PFMA,2012		
7.1 Request County Government Entities/Departments to submit their information on Budget Estimates	CEC Member- County Treasury and Economic Planning	08 th December, 2026
7.2 Submission of budget proposals FY 2027/2028 to the County Treasury	All departments	23 rd December, 2026
7.3 Consolidation of departmental submissions on budget proposal	County Treasury	05 th January, 2027
7.4 Public Participation in Proposed Budget Estimates PFMA,2012 Sec. 125	County Treasury/CBEF	19 th January, 2027
7.5 Submission of Proposed Budget Estimates to the County Executive Committee for approval	County Treasury	25 th January, 2027
7.6 Approval of Proposed Budget Estimates by County Executive Committee	County Executive Committee	09 th February, 2027
7.7 Submission of Executive Approved Budget Estimates to the County Assembly for approval and Appropriation Bill	County Treasury	15 th February, 2027
7.8 Approval of the Budget Estimates by the County Assembly	County Assembly	28 th February, 2027
7.9 Approval of Appropriation Bill	County Assembly	28 th February, 2027
7.10 Consolidate, Publish and Publicize the County Assembly Approved Budget Estimates & Appropriation Bill	County Treasury	19 th March, 2027
8. Preparation and Approval of County Integrated Development Plan (CIDP)-Section 126 of the PFMA, 2012		
8.1 Review of the current CIDP	Chief Officer – Economic planning	18 th September, 2026
8.2 Issuing of a CIDP Preparation Circular with Instructions and Deadlines to all County Accounting Officers	County secretary	03 rd October, 2026
8.3 Establishment of the CIDP Preparation Secretariat	CECM Economic Planning	08 th October, 2026
8.4 Sensitization/Familiarization of the CECs, MCA, County Directors	Chief Officer – Economic planning	24 th November 2026
8.5 Collection of primary data through public consultation forums and memorandums	Chief Officer – Economic planning	01 st December, 2026
8.6 Data cleaning	Chief Officer – Economic planning	09 th December, 2026
8.7 Formulation costing of Programmes and Projects	Chief Officer – Economic planning	19 th December, 2026
8.8 Preparation of the zero draft by the technical secretariat team	Chief Officer – Economic planning	24 th January, 2027
8.9 Validation of CIDP draft document	Chief Officer – Economic planning	29 th January, 2027
8.10 Submission of the CIDP draft to the Executive for consideration and adoption	CECM – Economic Planning	06 th February, 2027
8.11 Submission of the CIDP draft to County Assembly for approval	CECM – Economic Planning	14 th February, 2027
8.12 Approval of the final CIDP	CECM – Economic Planning	22 nd February, 2027
8.13 Consolidate, Publish and Publicize the County Assembly Approved CIDP	County Treasury	15 th March, 2027
9. Citizens Budget PFM Regulations No. 6 (1) (c)		
9.1 Preparation of Citizens Budget	County Treasury	14 th April, 2027
9.2 Publish and Publicize Citizens Budget	County Treasury	21 st April, 2027
10. Preparation and approval of Finance Bill-PFMA,2012 Section 132 and 133		
10.1 Preparation of Draft Finance Bill	County Treasury	23 rd December, 2026
10.2 Public Participation on the draft finance bill	County Treasury/CBEF	07 th January, 2027
10.3 Submission of proposed Finance Bill to the County Executive Committee for approval	County Treasury	14 th January 2027

ACTIVITY	RESPONSIBILITY	TIMELINE
10.4 Approval of Finance Bill by the County Executive Committee	County Executive Committee	29 th January, 2027
10.5 Submission of the finance bill to the county assembly	County Treasury	09 th February, 2027
10.6 Publish and Publicize Finance Bill	County Treasury	19 th February, 2027
10.7 Approval of Finance bill by the County Assembly	County Assembly	28 th February, 2027
10.8 Consolidate, Publish and Publicize the County Assembly Approved Finance Bill	County Treasury	19 th March, 2027
11. Budget Implementation Review Reports		
11.1 Submission of Quarter 1 Budget Implementation Review Reports from the Departments	All departments	15 th October, 2026
11.2 Preparation of Quarter 1 Budget Implementation Review Reports, Consolidation and Submission to County Assembly	Director Budget	30 th October, 2026
11.3 Submission of Quarter 2 Budget Implementation Review Reports from the Departments	All departments	15 th January, 2027
11.4 Preparation of Quarter 2 Budget Implementation Review Reports, Consolidation and Submission to County Assembly	Director Budget	31 st January, 2027
11.5 Submission of Quarter 3 Budget Implementation Review Reports from the Departments	All departments	15 th April, 2027
11.6 Preparation of Quarter 3 Budget Implementation Review Reports, Consolidation and Submission to County Assembly	Director Budget	30 th April, 2027
11.7 Submission of Quarter 4 Budget Implementation Review Reports from the Departments	All departments	15 th July, 2027
11.8 Preparation of Quarter 4 Budget Implementation Review Reports, Consolidation and Submission to County Assembly	Director Budget	30 th July, 2027