

**REPUBLIC OF KENYA**

**OFFICE OF THE CONTROLLER OF BUDGET**

**BUDGET IMPLEMENTATION REVIEW REPORT**

**WAJIR COUNTY GOVERNMENT**

**MARCH-JUNE 2013**

**JULY 2013**

## OFFICE OF THE CONTROLLER OF BUDGET

### Table of Contents

|  |    |
|--|----|
| Foreword.....  | 3  |
| Executive Summary .....                              | 4  |
| INTRODUCTION .....                                   | 5  |
| COUNTY GENERAL INFORMATION .....                     | 5  |
| 1.1 Location and Size.....                           | 5  |
| 1.2 Physiographic and natural conditions .....       | 6  |
| 1.3 Administrative and Political Units.....          | 7  |
| 2.0 COUNTY BUDGET IMPLEMENTATION SUMMARY .....       | 10 |
| 2.1 County Revenue.....                              | 10 |
| 2.3 Analysis of revenue by source .....              | 10 |
| 2.4 Exchequer Issue .....                            | 13 |
| 2.5 Recurrent Expenditure .....                      | 13 |
| 3.0 Departmental Report and budget performance ..... | 14 |
| 3.1 County Assembly Services .....                   | 14 |
| 3.2 County Executive Services .....                  | 15 |
| 3.3 Financial Management Services .....              | 15 |
| 3.4 CAPITAL PROJECT (Development Project) .....      | 15 |
| 3.5 Challenges Faced .....                           | 16 |
| 3.6 Recommendation .....                             | 16 |
| 4.0 CONCLUSION.....                                  | 18 |

## OFFICE OF THE CONTROLLER OF BUDGET

### Foreword

It is with profound pleasure that I present to you the first Wajir County Government Budget Implementation Review Report of its operation from March to June 2013. This report gives a synopsis of the status of budget implementation and assesses the performance of the County Government in the management of public resources. The report is prepared pursuant to Article 228(6) of the Constitution that mandates the Controller of Budget to submit to each House of Parliament a report on the implementation of the budgets of the national and county governments.

As the County Government settles, all stakeholders should adhere to the principles of public finance as provided under Article 201 of the Constitution. In addition, it is important for strict adherence to the tenets of fiscal responsibility in order to ensure accountability and transparency in budgetary and governance of public finance. Furthermore, greater emphasis should be placed on the overall impact of budget implementation on citizens, by ensuring prudence in allocation and utilization of resources. Kenyans overwhelmingly voted for devolution as a vehicle for equitable development. County governments should therefore deliver on this dream by ensuring that *wanainchi* get the best value for their money.

High on the agenda in the Office of the Controller of Budget (OCoB) is improving budget implementation and ensuring approvals and withdrawals from public funds are done within the law. It is expected that this report will enable the County Government build on success achieved while initiating corrective mechanisms on highlighted issues. It gives me pleasure to present this report on budget implementation and urge the readers to examine its contents and give feedback so as to continuously improve it to match best practices.



**Mrs. Agnes Odhiambo**  
**Controller of Budget**

## **Executive Summary**

This is the first report on budget implementation for the County Government by the Office of Controller of Budget for the 2012/2013 financial year. One of the functions of the Office of the Controller of Budget (OCOB), as stipulated in the Constitution (Article 228(4)), is to oversee the implementation of the Budgets for both national and county governments.

The 2012/2013 budget serves as a transitional one, with national resources shared equitably according to the criteria set by the Commission on Revenue Allocation. Wajir county received in total three hundred and thirty three million nine hundred and eighty nine thousand eight hundred and eighty two shillings.(333,989,882.00) The amount was to cater for the salaries, administrative and maintenance cost as a beginning for the County Government. This also includes sixty one million five hundred ninety two thousands five hundred and two hundred (61,592,200) which was provided by Transitional authority for development of infrastructure Lastly there was seventy three million eight hundred and seventy seven thousands six hundred and twenty nine shillings (73,877,629) which was received in march and it was managed by defunct county council on behalf of county government. Revenues collected in the period between March -June 2013 by the County Government amounted to ksh.9,377,310 compared to revenue collected during the same period for year 2012 which was 13,763,550 the variation is significant considering defunct county council had no goodwill in comparison to county government. There is no use of the Local Authority Integrated Financial Operations Management System (LAIFOMS). It worth to note there were disparities between the amount collected and the amount deposited in the bank account. All the revenue banked was swapped to county revenue fund at central bank of Kenya as per the law.

INTRODUCTION

COUNTY GENERAL INFORMATION

**Introduction**

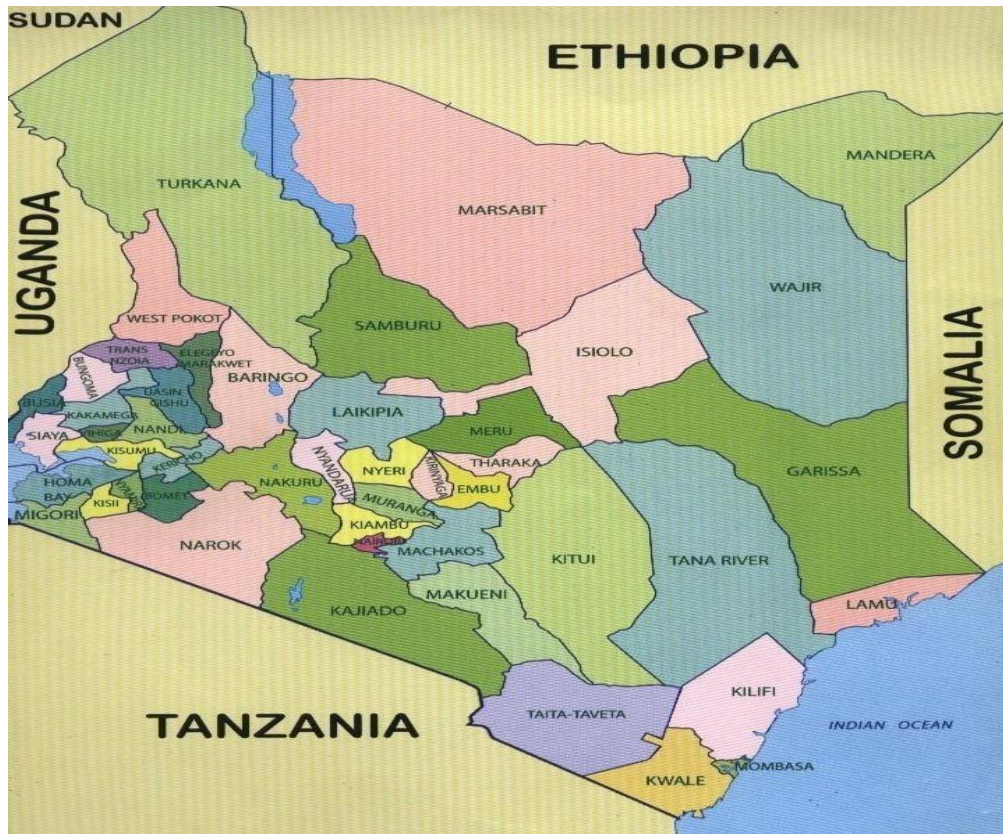
This chapter gives the background information on the socio-economic and infrastructural information that has a bearing on the development of the county. The chapter provides description of the county in terms of the location, size, physiographic and natural conditions, demographic profiles as well as the administrative and political units.

Detailed data is presented in the fact sheet which is given in appendix I.

**1.1 Location and Size**

Wajir County is located in the North Eastern region of Kenya. The county lies between latitudes 3° N 60'N and 0° 20' N and Longitudes 39° E and 41° E and covers an area of 56,685.9 Km<sup>2</sup>. It borders Somalia to the East, Ethiopia to the north, Mandera County to the Northeast, Isiolo County to the South West, Marsabit County to the West and Garissa County to the South. The map below shows the location of Wajir County in the country

**Figure 1: Map and Location of Wajir County in Kenya**



Source: <http://www.softkenya.com>

## ***1.2 Physiographic and natural conditions***

### **1.2.1 Physical and Topographic Features**

Wajir County is a featureless plain, and lies between 150 metres and 460 metres above sea level and along latitude 1°45'N and longitude 40°4'E. Its Altitude is 244 m (801 ft.).The plain rises gently from the south and east towards the north rising to 200 metres at Buna and 460 metres at Bute and Gurar at the foothills of Ethiopian highlands. There is the highly seasonal Ewaso Nyiro River and Lake Yahud,. The county is prone to seasonal flooding during the rainy seasons, which makes roads impassable. The county has seasonal swamps which together with drainage lines serve as grazing zones during dry season grazing zones and also allows some cultivation during the rainy seasons. The seasonal swamps exist at Lagboghohol area and in the western and southern part of Habaswein area. The county is generally covered with young sedimentary rocks with loamy soils toward the north bordering the Ethiopian highlands. The county has considerable deposits of Limestone and sand which are used in the local building industry.

### **1.2.2 Ecological Conditions**

Wajir County is a semi-arid area falling in the ecological zone V-VI. Zone V receives rainfall between 300-600mm annually, has low trees, grass and shrubs. On the other hand zone VI receives an annual rainfall of 200-400mm, shrubs with scattered taller trees, annual & perennial grasses. The county receives an average of 240 mm of rainfall per year. The rainfall is usually erratic and short making it unfavourable for vegetation growth. The rainfall is distributed into two seasons, the short rains and the long rains. The short rains are experienced between October to December and the long rains from March to May each year. Crop activity is carried out in the Lorian swamp and along the drainage lines in Bute. The crops grown in the area are sorghum, beans and vegetables.

OFFICE OF THE CONTROLLER OF BUDGET

**1.3 Administrative and Political Units**

**1.3.1 Administrative Sub divisions (Sub county, divisions, locations)**

Administratively, the county comprises of eight Sub-counties namely Wajir East, Tarbaj, Wajir West, Eldas, Wajir North, Buna, Habaswein and Wajir South. It's further divided into 28 Divisions, 128 locations and 159 sub-locations as indicated in table below.

**Table 1: Wajir County Area and Administrative Units by Sub-county and Divisions.**

| <b>Sub - County</b> | <b>Division</b>     | <b>Area(Km<sup>2</sup>)</b> | <b>No. of Locations</b> | <b>No. of Sub-locations</b> |
|---------------------|---------------------|-----------------------------|-------------------------|-----------------------------|
| <b>Wajir East</b>   | <b>Central</b>      | <b>139.3</b>                | <b>6</b>                | <b>10</b>                   |
|                     | <b>Wajir-Bor</b>    | <b>2,043.4</b>              | <b>3</b>                | <b>5</b>                    |
|                     | <b>Khorof-Harar</b> | <b>1,825.1</b>              | <b>1</b>                | <b>4</b>                    |
|                     | Total               | 4,007.8                     | 10                      | 19                          |
| Tarbaj              | <b>Tarbaj</b>       | <b>1,175.1</b>              | <b>4</b>                | <b>6</b>                    |
|                     | <b>Sarman</b>       | <b>1,561</b>                | <b>3</b>                | <b>4</b>                    |
|                     | <b>Kotulo</b>       | <b>3,389.7</b>              | <b>5</b>                | <b>9</b>                    |
|                     | <b>Mansa</b>        | <b>3,313.6</b>              | <b>3</b>                | <b>4</b>                    |
|                     | Total               | 9,439.4                     | 15                      | 23                          |
| Eldas               | Della               | 413.9                       | 2                       | 3                           |
|                     | Eldas               | 2,059.4                     | 8                       | 6                           |
|                     | Elnur               | 277.6                       | 3                       | 4                           |
|                     | Anole               | 294.1                       | 5                       | 4                           |
|                     | <b>Total</b>        | <b>3,045</b>                | <b>18</b>               | <b>17</b>                   |
| Wajir West          | Griftu              | 3,336.4                     | 11                      | 10                          |
|                     | Arbajahan           | 2,345.3                     | 2                       | 4                           |

**OFFICE OF THE CONTROLLER OF BUDGET**

|               |              |                 |            |            |
|---------------|--------------|-----------------|------------|------------|
|               | Lagbogol     | 373.3           | 2          | 3          |
|               | Hadado       | 2,480.1         | 4          | 4          |
|               | Ademasajida  | 1,017.3         | 6          | 3          |
|               | Wagalla      | 491.2           | 5          | 8          |
|               | <b>Total</b> | <b>10,043.6</b> | <b>30</b>  | <b>32</b>  |
| Habaswein     | Habaswein    | 4,351.5         | 14         | 14         |
|               | Sebule       | 2,680.2         | 5          | 10         |
|               | Banane       | 4,534.9         | 4          | 3          |
|               | Dadajabulla  | 1,064.2         | 5          | 2          |
|               | <b>Total</b> | <b>12,630.8</b> | <b>28</b>  | <b>29</b>  |
| Wajir South   | Diif         | 5,446.8         | 5          | 7          |
|               | Wajir-Bor    | 1,224.4         | 3          | 4          |
|               | Kulaaley     | 2,293.7         | 4          | 6          |
|               | <b>Total</b> | <b>8,964.9</b>  | <b>12</b>  | <b>17</b>  |
| Wajir North   | Gurar        | 2,797.9         | 4          | 8          |
|               | Bute         | 791.8           | 4          | 7          |
|               | <b>Total</b> | <b>3,589.7</b>  | <b>8</b>   | <b>15</b>  |
| Buna          | Buna         | 3,764.7         | 4          | 4          |
|               | Korondille   | 1,200.1         | 3          | 3          |
|               | Buna         | 4,964.8         | 7          | 7          |
| <b>County</b> | <b>Total</b> | <b>56,685.9</b> | <b>128</b> | <b>159</b> |

*Source: Wajir East, West, North and South District Commissioner's Offices, 2012*



**OFFICE OF THE CONTROLLER OF BUDGET**

**1.3.2 Political Units**

The county has 6 constituencies - Wajir East, Tarbaj, Wajir west, Eldas, Wajir South and Wajir North. and has 30 electoral wards. Wajir North and Wajir South constituencies have the largest number of wards at 7 and the rest have 4 each as shown in table below.

**Table 2: Wajir County Political Units by Constituencies and Electoral Wards**

| <b>Constituency</b> | <b>Wards</b>   | <b>Area (sq. Km)</b> | <b>No. of Wards</b> |
|---------------------|--|----------------------|---------------------|
| Wajir East          | Wagberi<br>Township<br>Barwaqo<br>Khorof Harar                                       | 4,007.8              | 4                   |
| Tarbaj              | Elben<br>Sarman<br>Tarbaj<br>Wargadud  | 9,439.4              | 4                   |
| Wajir West          | Arbajahan<br>Hadado/Athibohol<br>Adamasajide<br>Ganyure/Wagalla                      | 1,0043.5             | 4                   |
| Eldas               | Eldas<br>Della<br>Lakoley south/Basir<br>Elnur                                       | 3,045                | 4                   |
| Wajir South         | Benane<br>Burder<br>Dadajabula<br>Habaswein<br>Lagbogol south<br>Ibrahim Ure<br>Diff | 21,595.7             | 7                   |

**OFFICE OF THE CONTROLLER OF BUDGET**

|              |                  |                 |           |
|--------------|------------------|-----------------|-----------|
| Wajir North  | Gurar            | 8,554.5         | 7         |
|              | Bute             |                 |           |
|              | Korondille       |                 |           |
|              | Malkagufu        |                 |           |
|              | Batalu           |                 |           |
|              | Danaba<br>Godoma |                 |           |
| <b>Total</b> |                  | <b>56,685.9</b> | <b>30</b> |

*Source: IEBC Wajir Regional Office-Wajir, 2012*

## **2.0 COUNTY BUDGET IMPLEMENTATION SUMMARY**

### ***2.1 County Revenue***

Revenues collected in the period between March -June 2013 the Wajir County Government collected local revenue amounting to ksh.9,377,310 compared to revenue collected during the same period for year 2012 which was 13,763,550 the variation is significant considering defunct county council had no goodwill in comparison to county government. There is no use of the Local Authority Integrated Financial Operations Management System (LAIFOMS). It worth to note there were disparities between the amount collected and the amount deposited in the bank account. All revenue collected and banked are swapped to county revenue fund.

### ***2.3 Analysis of revenue by source***

These include Fees, land rates, Cess collection, Auction from cattle, camel and goats and single permit license, building construction fees and others different levies as per the law.Wajir is general a resource poor county nevertheless the revenue generated is below optimal though most of population living below absolute poverty level with previous services delivery level not motivating for revenue collection. Below table illustrate revenue streams and revenue collected for the period march-June 2013

**OFFICE OF THE CONTROLLER OF BUDGET**

| S/NO. | REVENUE<br>SOURCE ITEM | MONTH      |            |            |            |
|-------|------------------------|------------|------------|------------|------------|
|       |                        | Mar-13     | Apr-13     | May-13     | JUNE 013   |
| 1     | Auction                | 220,470.00 | 202,640.00 | 404,880.00 | 485,490.00 |
| 2     | Stock Fee              | 58,200.00  | 73,600.00  | 129,400.00 | 183,800.00 |
| 3     | Slaughter              | 52,700.00  | 85,800.00  | 105,300.00 | 89,000.00  |
| 4     | Hides and Skin         | 32,350.00  | 22,000.00  | 36,000.00  | 17,650.00  |
| 5     | Arabic Gum             | 14,400.00  | 51,600.00  | 31,200.00  | 16,800.00  |
| 6     | Miraa Cess             | 620,000.00 | 764,000.00 | 980,000.00 | 840,000.00 |
| 7     | SBP                    | 69,800.00  | 150,000.00 | 188,900.00 | 600,400.00 |
| 8     | Exhauster              | 252,000.00 | 188,000.00 | 208,000.00 | 312,000.00 |
| 9     | Conservancy            | 78,300.00  | 55,300.00  | 35,500.00  | 49,800.00  |
| 10    | Cereals                | 46,000.00  | 191,200.00 | 153,400.00 | 196,900.00 |
| 11    | Plot registration      | 7,500.00   |            |            | 500.00     |
| 12    | T.O.L                  | 14,000.00  | 147,890.00 | 215,700.00 | 63,900.00  |
| 13    | Building               | 87,200.00  | 100,400.00 | 213,700.00 | 194,640.00 |
| 14    | Application            | 200.00     | 3,800.00   |            |            |
| 15    | Scrap Metal            |            |            |            |            |

**OFFICE OF THE CONTROLLER OF BUDGET**

|                                |               |                     |                     |                     |                     |
|--------------------------------|---------------|---------------------|---------------------|---------------------|---------------------|
|                                |               | 9,000.00            | 21,500.00           |                     |                     |
| 16                             | Allotment     | 1,500.00            |                     |                     |                     |
| 17                             | Miscellaneous |                     | 3,100.00            |                     |                     |
| <b>TOTALS</b>                  |               | <b>1,563,620.00</b> | <b>2,060,830.00</b> | <b>2,701,980.00</b> | <b>3,050,880.00</b> |
| <b>TOTALS FOR THE 4 MONTHS</b> |               |                     |                     | <b>6,326,430.00</b> | <b>9,377,310.00</b> |

*Table 4: Wajir County Cumulative Revenue Collection for the Month of March, April, May and June 2013 and for same period 2012.*

Since there is no target for revenue collection for the year 2013 comparing with same period previous previous year (2012) to get some insight .

| <b>Month</b> | <b>2012</b>          | <b>2013</b>      | <b>Variance</b>  |
|--------------|----------------------|------------------|------------------|
| March        | 3,496,750.00         | 1,563,620.00     | 1,933,130        |
| April        | 3,745,770.00         | 2,060,830.00     | 1,684,940        |
| May          | 3,653,030.00         | 2,701,980.00     | 951,050          |
| June         | 2,868,000.00         | 3,050,880.00     | (182,880)        |
| <b>Total</b> | <b>13,763,550.00</b> | <b>9,377,310</b> | <b>4,386,240</b> |

## OFFICE OF THE CONTROLLER OF BUDGET

### **2.4 Exchequer Issue**

Exchequer Release to the County was two hundred and seventeen million three hundred eighty eight thousand three hundred and twenty nine. The amount was to cater for the salaries, administrative, purchase of motor vehicles and maintenance cost as a beginning for the County Government.

| <b>County allocation</b> | <b>Exchequer issue (April)</b> | <b>Exchequer issue (may)</b> | <b>Exchequer issue (June)</b> | <b>Total exchequer issue</b> | <b>Unissued exchequer</b> |
|--------------------------|--------------------------------|------------------------------|-------------------------------|------------------------------|---------------------------|
| 307<br>WAJIR<br>COUNTY   | 272,397,682.00                 | 108,959,073.00               | 81,719,304.60                 | 272,397,682.00               | nil                       |

### **2.5 LATF (LOCAL AUTHORITY TRANSFER FUND)**

The county received 73,877,629 .00 (seventy three million, eight hundred seventy seven thousand six hundred and twenty nine shillings. This fund was spent by defunct county council – Wajir .The expenditure was both recurrent and development though it was not been possible to confirm the development project by the time of this report.

It also worthy to note that the expenditure by defunct county council was illegal considering that spending power of the council was suspended by 1<sup>st</sup> of march and there was freezing order to be served to the bank by transitional authority.

### **2.6 TRANSITIONAL AUTHORITY FUND**

The county also received 61,592,200 (sixty one million, five hundred and ninety two thousand and two hundred shillings. The fund was for development of infrastructure and provision of Hansard for county assembly.

There were no Donor funding and condition grants for the financial year 2012/2013.

### **ECONOMIC CLASSIFICATION**

The expenditure can be classified as recurrent and development and also allocation of resource can said to have been among three units that is County assembly, financial management and county executive.

## OFFICE OF THE CONTROLLER OF BUDGET

County executive committee for different department /sector have been appointed and the budget for different sector is available in budget estimate for financial year 2013/2014 which has been approved by county assembly and assented to by the Governor .

### **2.5 Recurrent Expenditure**

Expenditure appropriated and spending including personnel expenses, salary, travel and subsistence allowances, refurbishment of non-residential building, rental expenses for office building. The table below shows expenditure by different spending units.

### **3.0 Departmental Report and budget performance**

Table below shows expenditure and budget performance for county assembly services, executive service and the financial management service.

| <b>DEPARTMENT</b>                   | <b>Estimates<br/>(budget)</b> | <b>Exchequer<br/>release</b> | <b>Expenditure</b>    | <b>Unspent Fund</b> | <b>Perfor<br/>mance<br/>%</b> |
|-------------------------------------|-------------------------------|------------------------------|-----------------------|---------------------|-------------------------------|
| County Assembly<br>Services         | 64,845,096.00                 | 64,845,096.00                | 64,820,075.20         | 135,148.60          | 99.96%                        |
| Executive<br>Services               | 113,530,065.00                | 113,530,065.00               | 125,896,261.20        | 1,132,346.19        | 110.89%                       |
| Financial<br>Management<br>Services | 94,022,520.40                 | 94,022,520.00                | 80,239,856.00         | 174,014.40          | 85.34%                        |
| <b>Total</b>                        | <b>272,397,681.40</b>         | <b>272,397,681.40</b>        | <b>270,956,192.40</b> | <b>1,441,509.19</b> | <b>99.47%</b>                 |

It is important to appreciate the budget for executive services utilization was at above 100% because of re-allocation from other department to county executive .

### **3.1 County Assembly Services**

County assembly has a total number of thirty elected member of county assembly and expected to have fifteen members nominated. The key projects implemented so far were refurbishment of county assembly chambers, clerk office, speaker's office, deputy speaker's office.

## OFFICE OF THE CONTROLLER OF BUDGET

Key priorities for the department involve personnel expenses, salary, travel and subsistence allowances, purchase of motor vehicles maintenance cost .Department's allocation from the county treasury was 64,845,096.00.with budget absorption at 99.96%

### **3.2 County Executive Services**

This comprises of services rendered by or on behalf of the County Governor, Deputy Governor and ten executive members in the devolved units. Key priorities for the department involve personnel expenses, salary, travel and subsistence allowances, purchase of motor vehicles maintenance cost. Department's allocation from the county treasury was 113,530,065.00 with absorption of 110.89%.

### **3.3 Financial Management Services**

These involve service rendered by the county treasury to enhance efficient and effective service delivery. Key priorities for the department involve personnel expenses, salary, travel and subsistence allowances, and purchase of motor vehicles maintenance cost. Department allocation from county treasury was 94,022,520.40 with budget performance of 85.34%.

### **3.4 CAPITAL PROJECT (Development Project)**

The county received an amount of sixty one million from Transitional Authority for development expenditure

| <b>Department</b>                 | <b>Estimates(budget)</b> | <b>Exchequer release</b> | <b>Expenditure</b> | <b>Performance</b> | <b>Un spent Fund</b> |
|-----------------------------------|--------------------------|--------------------------|--------------------|--------------------|----------------------|
| County executive and assembly(TA) | 61,592,200.00            | 61,592,200.00            | 61,257,566.91      | 99.46%             | 334,633.09           |
| Defunct county council-Wajir      | 73,877,629.00            | 73,877,629.00            | 73,877,629.00      | 100%               | NIL                  |

**NOTE:** It is not been possible to confirm the exact nature of development undertaken by defunct county council of Wajir.

OFFICE OF THE CONTROLLER OF BUDGET

**DEVELOPMENT PROJECT – (on going)**

| <b>PROJECT</b>           | <b>EXPENDITURE/COST</b> |
|--------------------------|-------------------------|
| Drilling of 10 boreholes | 41,236,390.00           |

**COMMENTS**

There is need to continuously monitor the above project to ensure project is timely completed  
The ten departments for executives did not exist in the current financial year of 2012/2013. But are incorporated in the approved budget of 2013/2014 which has been assented by Governor and gazetted

**3.5 Challenges Faced**

The following challenges has been facing the County

1. Delay in rolling out IFMIS, G-PAY and necessary equipments and guidelines.
2. Lack of civic education on the part of citizens and former local authorities employees on various aspect of devolution, including revenue payments to the new County Government.
3. County treasury lacks adequate personnel, offices and equipments
4. Lack of capacity on budget preparation and process including the County Assembly
5. Low revenue collection which has been caused by

(i) There is no timeline for submission of revenue collected to the Cash office by collectors outside Wajir town which brings accountability problems.

(ii) Lack of supervision and minimum spot-checks due to lack of capacity both in terms of human resource and equipment

**3.6 Recommendation**

I do recommend for the county government to adhere to the government regulation and procedures to improve budget implementation in the following areas:

1. Improve short fall in the revenue collection
2. Operationalisation of IFMIS and CBK –G-PAY
3. Setting up of internal efficiency Monitoring framework and evaluation



## OFFICE OF THE CONTROLLER OF BUDGET

4. Procurement procedures
5. The county needs to address capacity issue and also develop standardized receipt for revenue collection.
6. Taxation of allowances paid to all employees especially the allowances which are part of monthly entitlement to employees
7. Continuing enhancing prudence and efficiency of public fund
8. There is need for proper planning especially on procurement so as to increase absorption rate of funds. An adequate procurement plan will assist in carrying out various procurement processes early enough even before funds are released from the exchequer. Therefore, various departments must communicate early enough of their procurement needs to the procurement department. In addition, the county treasury should adopt an annual cash-flow forecast for the subsequent periods to help in planning and controlling expenditures and incomes.
9. The county use the LAIFORM system for revenue collection, the system is good and recommended. As the County grows there will be need for a clear framework and legislation on improved collection of internally generated revenue
10. It is advisable for the County to start using Program Budgets instead of itemized budget as approved by PFMA Second Schedule (12). There is need for proper planning especially on procurement so as to increase absorption rate of funds. An adequate procurement plan will assist in carrying out various procurement processes early enough even before funds are released from the exchequer. Therefore, various departments must communicate early enough of their procurement needs to the procurement department. In addition, the county treasury should adopt an annual cash-flow forecast for the subsequent periods to help in planning and controlling expenditures and incomes.

## 4.0 CONCLUSION

The 2012/2013 budget is a transitional budget where national resources are shared equitably with the county government based on formula provided by county government. There is need to improve on revenue collection to close on the deficit on the budget for year 2013/2014. There is need to prioritize development expenditure in order to improve county infrastructure that can boost gross domestic product and attract Investor.

The county also needs to recruit competent personnel in all the sectors. County Governments need to put more emphasis on the impact of budget implementation on citizens and embrace the constitution spirit of public participation in budget process especially in allocation and utilization of resources. In addition, the County Government should hasten the preparation and submission of accurate, reliable and timely required information to OCoB, as stipulated in the PFMA, so as to facilitate seamless release of the County funds. . Lastly, as the County Government grows to handle more functions, there is need to put more focus on those activities that contribute to development of the County economy and less focus on non-core activities and also Monitoring and evaluation is a fundamental principle of the budget exclusion process. There is need for stakeholders in public at large to interrogate, participate and monitor the implementation and spending by county government budget with a view of evaluating respective service delivery.

Lastly in order to improve on transparency and accountability in public financial management in regard to budget spending, there is need to develop mechanism to ensure timely provision of financial information and strict adherence to public finance management act and other existing laws.