



REPUBLIC OF KENYA



**COUNTY GOVERNMENT OF TANA RIVER
DEPARTMENT OF FINANCE AND ECONOMIC PLANNING**

Email address: tanarivercg@gmail.com
Telephone: 0466260000

P.O BOX 29-70101
HOLA

Ref. No. TRCG/FIN/2/1(68)

2nd December, 2021

The Clerk to the County Assembly,
Tana River County Assembly
P.O Box 113 – 70101,
HOLA


Dear Sir,

RE: COUNTY FISCAL STRATEGY PAPER FOR THE FY 2022/23

The County Treasury has prepared the County Fiscal Strategy Paper for the FY 2022/23 (2022 CFSP) in accordance with the provisions of Section 117 of the Public Finance Management (PFM) Act, 2012 and its attendant regulations.

Find enclosed, the following documents as part of the submission of the 2022 CFSP:

1. Tana River County Fiscal Strategy Paper for the FY 2022/23
2. Excerpt of the Minutes of the Tana River CEC approving the 2022 CFSP
3. Evidence of public participation in the formulation of the 2022 CFSP


Mathew Babwoya
CECM, Finance and Economic Planning



REPUBLIC OF KENYA



COUNTY GOVERNMENT OF TANA RIVER

COUNTY FISCAL STRATEGY PAPER

FY 2022/2023

NOVEMBER 2021

*Consolidating Devolution Gains for Continued Socio-Economic
Development*

© County Fiscal Strategy Paper (CFSP) 2022

To obtain copies of the document, please contact:

Tana River County Treasury

P.O. Box 29 – 70101

HOLA, KENYA

The document is also available on the County website: www.tanariver.go.ke

FOREWORD

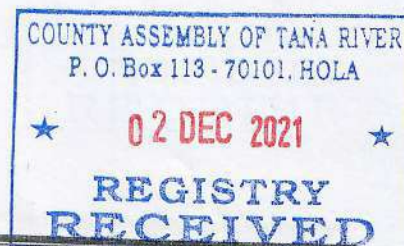
The 2022 CFSP is the tenth to be prepared by the County Government of Tana River. The purpose of this document is to provide direct linkages between policies, plans and budgets. It also provides the resource envelope and presents the fiscal framework for the 2022/2023 budget estimates over the medium term.

This 2022/23 Tana River County County Fiscal Strategy Paper (CFSP) is prepared in accordance with the provisions of Section 117 of the Public Finance Management Act (PFMA), 2012. This version of the document is prepared in accordance with the advisory from the National treasury in view of the expected political environment (specific circular) requiring the County Treasury to submit the County Fiscal Strategy Paper by 30th November 2021. The strategy paper specifies the Tana River County broad strategic priorities and policy goals which will inform the FY 2022/2023 budget and the medium term. It further gives the forecast on revenues and expenditures and the sector spending limits as a basis for the FY 2022/2023 and the medium term. In the preparation of this FY 2022/2023 CFSP the technical team took into account views of the public, the Commission on Revenue Allocation (CRA), The National Treasury, the Civil Society Organizations (CSOs) and other stakeholders and groups.

The Policy objectives in this CFSP will focus on continued consolidation of gains made in previous Financial Years for accelerated socio-economic development, with special focus on the Post COVID-19 Economic Recovery Strategy. The strategic priorities will endeavor to include all demographics and will ensure that programs and projects actively involve the youth, women, and persons with disabilities. We further propose prioritization of project and investment completion that will bring about urbanization and growth of the county economy in line with year 1 of the Third County Integrated Development Plan (CIDP III).

The proposed envelope for the FY 2022/2023 is estimated at Kshs. 6,695,004,765 with proposed recurrent expenditure of Kshs. 4,631,378,336 and a development expenditure of Kshs. 2,063,626,429. However, these are provisional figures based on the draft 2022 Budget Policy Statement (BPS) and will be firmed up in the FY 2022/23 Budget Estimates with reference to the 2022 County Allocation of Revenue Act (CARA). The expenditure ceilings observe all the provisions in the PFMA 2012, the requisite regulations as well as the CRA guidelines.


MATHIEW BABWOYA,
CECM, FINANCE AND ECONOMIC PLANNING.



ACKNOWLEDGEMENT

The 2022 CFSP provides a framework for the FY 2022/2023 budgeting aimed at achieving the medium-term theme “*Consolidating Devolution gains for Continued Socio-Economic Development*” which will be realized through the implementation of policies, and completion of ongoing projects and programs aligned to the Second-Generation County Integrated Development Plan.

This CFSP is divided into four sections; Section I gives the County’s strategic blueprint which sets the pace and direction of the document; Section II provides the recent economic developments and the policy outlook providing an overview of the recent economic developments and fiscal outlook at the global, regional, national and county level, information on macro-economic variables, update of fiscal performance and emerging challenges and risks to the outlook; Section III explains the fiscal policy and budget framework; Section IV covers the medium term expenditure framework.

I wish to acknowledge the Governor of Tana River County, H.E Dr. Major (Rtd.) Dhadho Gaddae Godhana for his support and leadership throughout the preparation of this paper. Special thanks goes to the County Executive Committee members in charge of various County Government Departments and Agencies for their input in this process. I also appreciate the CECM for Finance and Economic Planning, Mr. Mathew Babwoya for his guidance in the development of the paper.

A core team in the County Treasury spent a significant amount of time putting together this paper. We are particularly grateful to the Directorate of Economic Planning and Budgeting led by Md. Mariam Bunu and Mr. Amani Bawata and the team members; Mr. Arnold Odipo, Mr. Pascal Buya; the Financial Reporting Unit Mr. Cornelius Wamukoya and Awadh Shehe for their unending effort. I take this opportunity to thank the entire staff of the County Government of Tana River for their dedication, sacrifice and commitment to public service.

Finally, we appreciate the input and advice of the public in the preparation of this document.



HERO BWANAMAKA SAID
CCO, FINANCE AND ECONOMIC PLANNING



Table of Contents

FOREWORD	ii
ACKNOWLEDGEMENT	iii
Legal Basis for the Publication of the County Fiscal Strategy Paper	vi
Fiscal Responsibility Principles for the National and County Governments	vii
Acronyms and Abbreviations.....	viii
Outline of County Fiscal Strategy Paper	ix
SECTION I: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK	1
Overview.....	1
Update on Fiscal performance and Emerging Challenges	1
Revised Estimates.....	5
Economic Policy Outlook	5
Risks to the Outlook	6
SECTION II: CONSOLIDATING DEVOLUTION GAINS FOR CONTINUED SOCIO-ECONOMIC DEVELOPMENT	8
Overview.....	8
County Strategic Objectives.....	9
Programmes for Achieving the County Strategic Blueprint’s Objective.....	11
SECTION III: FISCAL POLICY AND BUDGET FRAMEWORK FOR FY 2022/23.....	17
Budget Framework	17
Revenue Projections	18
Expenditure Projections	19
Recurrent Expenditure	19
Development Expenditure.....	19
Fiscal balance	19
Fiscal Structural Reforms	20
SECTION IV: MEDIUM TERM EXPENDITURE FRAMEWORK.....	22
Resource Envelope	22
Spending Priorities	22
Medium Term Expenditure Estimates	22
Finalization of Spending Plans.....	29
Details of Sector Priorities	29
Conclusion	42

List of Tables

Table 1: County Government of Tana River - Executive Expenditure Report for FY 2020/21-----	2
Table 2: County Government of Tana River Expenditure Report for FY 2021/22 -----	4
Table 3: Risks and mitigation measures -----	6
Table 4: County Government of Tana River Budget Framework for FY 2022/23 and the Medium-Term-----	18
Table 5: Medium Term Expenditure Ceilings 2022/23 to 2024/25 -----	24
Table 6: Sector Mandates, Key Achievements, Medium Term Plans and Resource Usage -----	29

Legal Basis for the Publication of the County Fiscal Strategy Paper

Section 117 of the Public Finance Management Act, 2012 states;

1. “The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly by the 28th February of each year.”
2. The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
3. In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term
4. The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term
5. In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account, the views of: -
 - a. The Commission on Revenue Allocation
 - b. The public
 - c. Any interested persons or groups
 - d. Any other forum that is established by the PFM Act 2012
6. Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the County Assembly shall consider and may adopt it with or without amendments
7. The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned
8. The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County Assembly

Fiscal Responsibility Principles for the National and County Governments

Section 107 of the Public Finance Management Act, 2012 sets the principles of fiscal responsibility.

Subsection (2) states that: “In managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles: -

- a. The county government's recurrent expenditure shall not exceed the county government's total revenue
- b. Over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure
- c. The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenues as prescribed by the County Executive member for finance in regulations and approved by the County Assembly.
- d. Over the medium term, the county government's borrowing shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- e. The County debt shall be maintained at a suitable level as approved by County Assembly
- f. The financial risks shall be managed prudently, and
- g. a reasonable degree of predictability with respect to the level of tax bases shall be maintained, taking into account any tax reforms that may be made in the future
- h. Short-term borrowing as mentioned in (d) above shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited county government revenue.

Acronyms and Abbreviations

ADP	Annual Development Plan
BPS	Budget Policy Statement
CARA	County Allocation of Revenue Act
CARB	County Allocation of Revenue Bill
CBEF	County Budget and Economic Forum
CBK	Central Bank of Kenya
CBR	Central Bank Rate
CBROP	County Budget Review and Outlook Paper
CCO	County Chief Officer
CECM	County Executive Committee Member
CFSP	County Fiscal Strategy Paper
CHVs	Community Health Volunteers
CIDP	County Integrated Development Plan
CILOR	Contribution In Lieu of Rates
CPI	Consumer Price Index
DRR	Disaster Risk Reduction
ECDE	Early Childhood Development Education
EDE	Ending Drought Emergencies
EU	European Union
EYE	Early Years Education
FY	Financial Year
IDeP	Integrated Development Plan
IFMIS	Integrated Financial Management Information System
KISIP	Kenya Informal Settlements Improvement Project
OAG	Office of the Auditor General
RMLF	Road Maintenance Levy Fund
TVETA	Technical and Vocational Education and Training Authority
VTCs	Vocational Training Centers

Outline of County Fiscal Strategy Paper

This fiscal strategy paper is presented in four sections. The introduction presented in Section I, presents an overview of the recent economic development and fiscal outlook at the Global, National and County Levels. It also reviews the latest information on the macroeconomic variables, gives update on Fiscal Performance and Emerging Challenges, offers Revised Estimates, Economic Policy and Outlook as well as Risks to the Outlook.

Section II outlines the Programmes for achieving the Tana River County Strategic Blueprint's Objective.

In Section III, the paper describes the fiscal policy and budget framework. The section further highlights the fiscal policy status, Fiscal Strategy Paper's obligation to observe Fiscal Responsibility Principles as set out in the PFMA 2012, Fiscal Structural Reforms, Budget Framework for proposed budget year 2022/23 (Revenue projections, recurrent expenditure forecast, development expenditure projections, and fiscal balance). The section generally outlines the county fiscal strategic objectives that the County is implementing to achieve her fiscal responsibility principles.

Section IV covers the medium-term expenditure framework. It highlights the total resource envelope, Spending Priorities, Medium Term Expenditure Estimates, Baseline ceilings, Finalization of spending plans, Details of Sector Priorities.

SECTION I: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK

Overview

1. In 2020, the Kenyan economy contracted by a 0.3 percent margin in 2020 due to the adverse effects of the COVID-19 and the resultant containment measures. However, with the continued reopening of the service sector and recovery in manufacturing, transport and tourism industries, economic growth is projected to recover to 6.0 percent in 2021 due to in part, the lower base effect in 2020. In terms of fiscal years, economic growth is projected to grow by 3.5 percent in FY 2020/21 and further to 6.2 percent over the medium term.
2. The economy continues to register macroeconomic stability with low and stable interest rates and a competitive exchange rate that support exports. Year-on-year overall inflation remained within the Government target range of 5 ± 2.5 percent overall, following an increase to 6.45 percent in October 2021 from 4.84 percent in October 2020. The inflation, despite the increase, remained within the target range following stabilization in prices of food and food products.
3. The foreign exchange market has largely remained stable but partly affected by a significant strengthening of the US Dollar in the global markets and uncertainty with regard to the Covid-19 pandemic. In this regard, the Kenya Shilling to the dollar exchanged at Kshs. 110.9 in October 2021 compared to Kshs. 108.6 in October 2020. The current account deficit is estimated at 5.2 percent of GDP in 2021.
4. Short term interest rates remained stable. The Central Bank Rate was retained at 7.0 percent on 28th September 2021 in order to support credit access by borrowers, especially the Small and Medium Enterprises distressed by the effects of COVID-19.

Update on Fiscal performance and Emerging Challenges

5. The total approved budget in FY 2020/21 was Kshs. **8,145,250,253**, comprising of Kshs. **4,690,382,274** (58%) recurrent expenditure and Kshs. **3,454,867,979** (42%) development

expenditure. The recurrent budget absorption was at 90% while the development budget had an absorption of 65%. The composite budget absorption rate for FY 2020/21 is 81%.

6. The FY 2021/22 approved budget is **Kshs. 8,117,948,522** which comprises of **Kshs. 6,528,408,765** equitable share of the revenue raised nationally, **Kshs. 543,563,507** worth of conditional grants, **Kshs. 79,860,000** of Own Source Revenue (OSR), and **Kshs. 966,116,250** as balance brought forward from the FY 2020/21. The Recurrent expenditure is **Kshs. 5,267,057,697** which is 65% of the Total Expenditure, while the development budget is **Kshs. 2,850,890,825** which accounts for 35% of the total budget.

7. Absorption of both the recurrent and development allocations for the County in the first quarter of FY 2021/22 was below the projection. As at 30st September, 2021, Kshs. 887,706,886 had been absorbed from the recurrent budget while Kshs. 158,945,836 had been absorbed out of the development budget. This was due to the delayed operationalization of the budget and delayed disbursement of funds from the National Treasury owing to the adverse negative effects of the COVID-19 pandemic and the subsequent effect on the collection of revenue by KRA.

Table 1: County Government of Tana River - Executive Expenditure Report for FY 2020/21

Department		Final Approved Estimates	Actual Expenditure 2020/2021	Variance	Absorption rate
		(a)	(b)	(a-b)	(b/a)
County Assembly	<i>Sub-Total</i>	616,497,243	614,549,783	1,947,460	99.68%
	Rec	516,497,243	516,029,661	467,582	99.91%
	Dev	100,000,000	98,520,122	1,479,878	99%
Office of the Governor and the Deputy governor	<i>Sub-Total</i>	400,529,026	288,604,843	111,924,183	72.06%
	Rec	400,529,026	288,604,843	111,924,183	72.06%
	Dev	-	-	-	-
Finance and Economic Planning	<i>Sub-Total</i>	1,581,000,515	1,368,327,928	212,672,587	86.55%
	Rec	770,051,509	622,174,191	147,877,318	80.80%
	Dev	810,949,006	746,153,737	64,795,269	92%
County Public Service Board	<i>Sub-Total</i>	66,610,248	60,478,779	6,131,469	90.80%
	Rec	66,610,248	60,478,779	6,131,469	90.80%
	Dev	-	-	-	-
Trade, Tourism, Wildlife and	<i>Sub-Total</i>	108,754,315	37,207,298	71,547,017	34.21%
	Rec	61,254,315	37,207,298	24,047,017	60.74%
	Dev	47,500,000	-	47,500,000	0%

Cooperative Development					
Agriculture, Livestock, Fisheries, Veterinary	<i>Sub-Total</i>	811,837,815	439,454,548	372,383,267	54.13%
	Rec	236,937,496	156,412,524	80,524,972	66.01%
	Dev	574,900,319	283,042,024	291,858,295	49%
Youth, Sports, Gender, Culture and Social Services	<i>Sub-Total</i>	74,894,371	20,225,169	54,669,202	27.00%
	Rec	26,694,371	4,025,169	22,669,202	15.08%
	Dev	48,200,000	16,200,000	32,000,000	34%
Education and Vocational Training	<i>Sub-Total</i>	416,360,862	257,511,914	158,848,948	61.85%
	Rec	251,695,968	216,974,627	34,721,341	86.21%
	Dev	164,664,894	40,537,287	124,127,607	24.62%
Medical Services, Public Health and Sanitation	<i>Sub-Total</i>	1,491,594,667	1,238,384,781	253,209,886	83.02%
	Rec	1,304,894,667	1,140,734,781	164,159,886	87.42%
	Dev	186,700,000	97,650,000	89,050,000	52%
Special Programs	<i>Sub-Total</i>	106,580,803	74,224,816	32,355,987	69.64%
	Rec	106,580,803	74,224,816	32,355,987	69.64%
	Dev	-	-	-	-
Roads, Transport, Public Works, Housing and Urban Development	<i>Sub-Total</i>	1,178,133,331	647,891,847	530,241,484	54.99%
	Rec	76,179,571	37,384,139	38,795,432	49.07%
	Dev	1,101,953,760	610,507,708	491,446,052	55%
Water, Irrigation Environment and Natural Resources	<i>Sub-Total</i>	326,878,927	82,018,819	244,860,108	25.09%
	Rec	131,878,927	66,859,426	65,019,501	50.70%
	Dev	195,000,000	15,159,393	179,840,607	8%
Public Service, Administration and Citizen Participation	<i>Sub-Total</i>	709,334,934	609,337,828	99,997,106	85.90%
	Rec	679,334,934	602,507,217	76,827,717	88.69%
	Dev	30,000,000	6,830,611	23,169,389	23%
Lands and Physical Planning	<i>Sub-Total</i>	102,972,096	71,371,157	31,600,939	69.31%
	Rec	37,972,096	25,132,940	12,839,156	66.19%
	Dev	65,000,000	46,238,217	18,761,783	71%
Hola Municipality	<i>Sub-Total</i>	153,271,100	101,428,297	51,842,803	66.18%
	Rec	53,271,100	51,428,297	1,842,803	96.54%
	Dev	100,000,000	50,000,000	50,000,000	50%
Total Recurrent Expenditure		4,720,382,274	3,900,178,708	814,072,097	82.62%
Total Development Expenditure		3,424,867,979	2,010,839,099	1,414,028,880	58.71%
GRAND TOTAL EXPENDITURE		8,145,250,253	5,911,017,807	2,228,100,977	72.57%

Table 2: County Government of Tana River Expenditure Report for FY 2021/22

TANA RIVER COUNTY GOVERNMENT - EXECUTIVE EXPENDITURE REPORT FY 2021/22 AS AT 30 SEPTEMBER 2021

DEPARTMENT	RECURRENT			DEVELOPMENT		
	Budget Estimates	Actual Expenditure	Variance	Budget Estimates	Actual Expenditure	Variance
County Assembly	588,396,752	46,889,631	541,507,121	320,000,000	0	320,000,000
Office of The Governor and Deputy Governor	568,322,556	35,190,394	533,132,162	-	0	0
Finance and Planning	756,993,212	281,599,766	475,393,446	449,451,173	144,109,236	305,341,937
County Public Service Board	69,512,420	8,010,845	61,501,575	-	0	0
Trade, Tourism, Wildlife and Cooperative Development	38,590,342	2,103,980	36,486,362	27,000,000	0	27,000,000
Agriculture, Livestock, Fisheries and Veterinary	173,127,943	4,462,562	168,665,381	539,064,710	0	539,064,710
Culture, gender, Youth, Sports and Social Services	54,804,560	750,900	54,053,660	55,000,000	0	55,000,000
Education and Vocational Training	221,809,573	79,805,800	142,003,773	39,674,894	14,836,600	24,838,294
Medical Services, public Health and sanitation	1,159,524,644	244,801,078	914,723,566	280,000,000	0	280,000,000
Special program	202,274,495	981,200	201,293,295	-	0	0
Roads, Transport, Public works, Housing and Urbanisation	70,147,976	1,232,100	68,915,876	521,968,802	0	521,968,802
Water, Irrigation, Environment and Natural Resources	89,391,995	10,596,110	78,795,885	251,731,246	0	251,731,246
Public Service, Administration and Citizen participation	1,197,568,109	167,097,809	1030470300	78,000,000	0	78,000,000
Lands and Physical Planning	39,593,120	3,264,500	36,328,620	160,000,000	0	160,000,000
Hola Municipality	37,000,000	920,210	36,079,790	129,000,000	0	129,000,000
TOTAL	5,267,057,697	887,706,885	4,379,350,812	2,850,890,825	158,945,836	2,691,944,989

8. The County Government departments reported some challenges during the previous MTEF period: resource constraints caused by the delayed exchequer disbursements; and low collection of revenue raised nationally during COVID-19 and the resultant containment measures. Delays in the exchequer disbursement of funds resulted to delayed procurement processes and subsequently causing delays in the implementation of projects.
9. Additionally, the fiscal performance of the FY 2021/22 was below expectation mainly due to the delays in the operationalization of the FY 2021/22 budget and delays in the initiation and completion of procurement processes.

Revised Estimates

10. The FY 2021/22 Approved Budget needed revision to provide for other emerging needs including supporting drought response and provide for settlement of pending bills.

Economic Policy Outlook

11. The County Government of Tana River will continue to pursue prudent fiscal policy to ensure stability while cultivating an environment for sustainable management of public finances. The County Government is also committed to clear pending bills as first charge as prescribed by law and various advisories from the National Treasury and the Controller of Budget.
12. Fiscal policy will continue to support County development economic activities within a context of sustainable public financing. This process will be strengthened in the FY 2022/23 by encouraging more private-sector engagement in order to build concrete public private Partnership in pursuit of new economic opportunities as is detailed in the Post COVID-19 Economic Recovery & Reengineering Strategy.
13. The County Government will continue with rationalization of expenditure to improve efficiency and reduce wastage. Expenditure management will be strengthened with continued implementation of the Integrated Financial Management Information System (IFMIS) across all the departments, including full operationalization of e-procurement and requisite capacity building for its use in budget implementation.

14. The county will continue redirecting expenditure towards those priority programmes as identified in public consultative forums. The critical programmes to be implemented are expected to accelerate economic activities and socio-economic welfare.
15. The outlook points to a continued macroeconomic stability, which will support robust growth, lower fiscal deficits and contain inflation. In addition, measures being undertaken by the County to align its strategic priorities with the “The Big Four” Plan to boost the manufacturing sector; enhance food security and nutrition; build affordable housing through the eco-villages cluster programme; and achieve Universal Health Coverage are expected to enhance growth, create jobs and promote inclusive growth.
16. The County will also pursue the priorities of the National post-COVID-19 Economic Recovery Strategy by implementing the Tana River County Socio-Economic Reengineering and Recovery Strategy. The priorities of the County are spread across the following key sectors: Manufacturing, Agriculture, Water and Sanitation, Urban Development and Housing, Transport, Tourism, Health, Education and Training, Social Protection, Gender and Youth, and Environment and Natural Resources Management.

Risks to the Outlook

17. The County experienced a significant increase in the County Own Source Revenue Collection. However, without comprehensive revenue mapping and enforcement there may be leakages which could threaten the realization of the set target and hence a budget deficit which will affect the adequate financing of the outlined projects and programs.
18. The County Government shall put in measures to mitigate against the adverse effects of the outlined risks.

Table 3: Risks and mitigation measures

S/No	Risk	Mitigation Measure
1.	COVID-19	Strengthening the capacity of the Department of Health and the Department of Water, Irrigation, Environment and Natural

		<p>Resources to step up their efforts in the monitoring, surveillance and containment of COVID-19 in the County.</p> <p>Overall sensitization of county staff and the community at large on continued prevention measures and advocating for vaccination against COVID-19.</p>
2.	<p>More frequent and more severe natural disasters: drought, floods, locust invasion, and human and livestock disease outbreaks.</p>	<p>Strengthening the capacity of the Special Programmes unit under the Office of the Governor to coordinate emergency response, relief and recovery initiatives. This includes implementation of the Disaster Risk Management Act and operationalization of the Disaster Risk Management Fund.</p> <p>The County continues to invest in adaptation measures against drought. These include establishment of small-scale irrigation schemes to reduce reliance on rain-fed agriculture, and establishment of water harvesting structures in the hinterland to promote water security for pastoralists. Through the Kenya Climate Smart Agriculture Project, the County will continue with the investments in climate-smart agriculture.</p>
3.	<p>Settlement of pending bills that exposes the County to litigation and that constrains resources available for new programmes and projects.</p>	<p>The county is keen to clear pending bills; all ineligible pending bills approved for payment by the ineligible pending bills resolution committee and pending bills in FY 2018/19 - 2019/20 approved for payment by the Auditor General.</p> <p>Efforts have been put in place to reduce over-commitment in the implementation of projects and programmes in development and recurrent expenditure.</p>
4.	<p>Weak financial reporting</p>	<p>The County Treasury shall conduct skills training for accountants and other technical staff responsible for both financial and non-financial reporting. Interviews have also been conducted in the ongoing recruitment strategy for the department to address skill gaps in reporting. Moreover, the County Treasury shall continually sensitize County Departments and Agencies on their responsibility to report.</p>

SECTION II: CONSOLIDATING DEVOLUTION GAINS FOR CONTINUED SOCIO-ECONOMIC DEVELOPMENT

Overview

19. The 2022 CFSP is the tenth to be prepared in Tana River County. Its purpose is to build direct linkages between policies, plans and budgets. It provides the resource envelope and presents the fiscal framework for the 2022/2023 budget estimates and over the medium term.
20. According to the 2022 Budget Policy Statement, in 2021, the Kenyan economy was adversely affected by the outbreak of COVID-19 Pandemic and the swift containment measures, which have not only disrupted the normal lives and livelihoods, but also to a greater extent businesses and economic activities. As a result, our economy contracted by 0.3 percent in 2020, but projected to grow by 6.0 percent in 2021 reflecting recovery in 2021 due to reopening of businesses following relaxation of some containment measures and the removal of the curfew.
21. The recovery in 2021 reflects the lower base of 2020 when most service sectors were adversely affected by the closure of the economy thereby recording negative growths. The outlook in 2021 will be reinforced by the prevailing stable macroeconomic environment and the ongoing implementation of the strategic priorities of the Government under the “Big Four” Agenda, Economic Recovery Strategy and other priority programmes as outlined in the Third Medium Term Plan of the Kenya Vision 2030. Weather conditions are expected to be favourable supporting agricultural output. As a result, export of goods and services will expand as global demand normalizes.
22. The Economic Recovery Strategy (ERS) aims at restoring the economy to a strong growth path, creating jobs and economic opportunities across all regions of the country with a view to tackling social and income inequalities. It is expected that the successful implementation of the Economic Recovery Strategy which is also aligned to the “Big Four” Agenda will promote inclusive growth and transform the lives of Kenyans.

23. The county economy is vulnerable to both exogenous and endogenous shocks that threaten macro-economic stability. Poor implementation of fiscal policies has resulted in accumulation of pending bills over previous FYs, which has in turn affected businesses, especially Small and Medium Enterprises (SMEs). Although the County has not registered high numbers of COVID-19 cases in comparison with other counties, the pandemic and subsequent containment measures have affected production, demand and supply of goods and services thereby slowing down the growth of the County economy.

County Strategic Objectives

24. The County Government will over the medium-term focus on the decisive investment in the health and water sectors, support to the recovery from the impact of COVID-19, completion of ongoing projects by settling pending bills, and Monitoring and Evaluation of projects and programmes to track progress and achievement of their prescribed goals and impacts. In FY 2022/23, the County Government will continue to focus on the following areas: Urban Planning and Climate Proof Infrastructure Development; Investing in Modern and Commercially Oriented Agriculture and Livestock; Investing in Quality and Affordable healthcare; Investing in Quality and Accessible Education; Investing in Environment, Water and Sanitation; Investing in Youth, Sports and Culture Promotion; Investing in infrastructure; and creating an enabling environment for socio-economic development through good governance.

25. This CFSP therefore outlines key strategic objectives that forms the 2022/2023 priority interventions that the county government intends to achieve. It reaffirms polices and strategies indicated in the tail end of the implementation matrix of the Second-Generation County Integrated Development Plan (CIDP II) as well as subsequent ADPs derived from it. The strategic interventions include:

- a. **Investing in Urban Planning and Climate Proof Infrastructure Development:** The County will focus on infrastructural development such as rehabilitation of County roads; upgrading of existing roads to bitumen standards; refurbishment and maintenance of Government houses;

continued physical planning and climate proof development of the ecovillage cluster program areas and the completion of the County Headquarters as well as a fire station in Tana Delta.

The following will be pursued under the Hola Municipality: printing, advertising and information supply services (city clocks, billboards), storm water drainage Phase II, installation and maintenance of street lights, fencing of waste management sites, establishment of recreational parks and establishment of a sewage treatment plant.

The County will also invest in land use management through continued investment in the completion of the County Spatial Plan and the Hola Municipality Spatial Plan, surveying and titling of urban centres, preparation of local physical development plans for urban areas and cluster villages, community land registration and formalization of existing settlements.

In light of the tight fiscal space within which the administration will be operating, capital investment to fund these interventions will be expected to originate mainly from the existing conditional grants such as the Kenya Urban Support Program (KUSP), and the Supplement for Construction of County Headquarters.

- b. **Investing in accessible and quality education:** Through this outcome, the county intends to enhance enrolment, retention and transition of learners across all education levels but especially in Early Childhood Education and in Vocational Training. Priority programs include construction and equipping of EYE and vocational training centres, continuous capacity building of VTC instructors and EYE caregivers, supply of learning and teaching materials, and provision of bursaries to needy students. In pursuing this objective, the County will partner with institutions such as TVETA and Ministry of Education and increase collaboration across County departments such that of Trade, Tourism and Industry that is responsible for the development of the *Jua Kali* industry for the absorption of VTC graduates. The county also prospects to benefit from the construction of a Youth Empowerment and Innovation Center in partnership with UNDP, further which the County will invest in the equipping of the YEI Centre. Further, regulations will be firmed up for the continued support to needy families through the Ward Bursary Fund and the Governor's Scholarship Fund.

- c. **Investing in quality and accessible healthcare:** Key interventions to enhance access to health care include developing or rehabilitation health infrastructure including completion of the ongoing or planned construction works across health facilities in the County and procurement of mini-hospitals; improving the supply and the management of pharmaceutical and non-pharmaceuticals; improving human resources for health; improve coverage of the County residents to NHIF and leverage on the opportunities under UHC to expand healthcare in the County. The County will also continue to leverage opportunities extended by Ministry of Health to reach targeted vaccination numbers in all sub counties.
- d. **Investing in modern and commercially-oriented agriculture:** This strategic outcome is geared towards enhancing agricultural productivity hence improving food security and the household incomes among the county residents through the continued investment in small scale minor irrigation schemes. The county government also intends to invest in: extension services for crop, livestock and fish production; mechanization services for agriculture and pasture production; provision of subsidies in crop production and apiculture; promotion of irrigation agriculture (hydroponics); value addition of both livestock and agricultural produce; marketing of livestock and agricultural produce and investment in livestock restocking programme.
26. Moreover, the 2022 CFSP will also focus on offsetting all the pending bills related to previous FYs. This is to mitigate the adverse effects currently facing businesses especially Small Medium Enterprises (SMEs) and securing the planned outcomes for the projects and programmes.

Programmes for Achieving the County Strategic Blueprint’s Objective

27. This County Fiscal Strategy Paper (2022 CFSP) articulates priority economic policies and structural reforms as well as sector-specific expenditure programs to be implemented under the Medium-Term Expenditure Framework for 2022/23 and 2023/24 in order to achieve the County Government’s development goal of ‘*Consolidating Devolution Gains for Continued Socio-Economic Development*’. The county government will pursue to achieve the outlined strategic outcomes within the identified 8 sectors:

a. Agriculture and Rural Development Sector

28. This sector comprises the County Department of Agriculture, Veterinary Services, Livestock and Fisheries and is charged with the mandate of attainment of food security, promotion of market accessibility, empowerment of farmers through capacity building on modern and commercially oriented agriculture and livestock keeping as well as alternative agricultural practices such as fish farming and bee keeping.
29. In the FY 2022/23, the sector will focus on the following priorities: completion of the ongoing small scale irrigation projects, improve on the existing minor irrigation schemes to accommodate the hydroponics and shade net technologies, farm input subsidy program, apiculture development program (fencing of honey production and collection points), strengthening mechanization services; promoting value addition of agricultural produce; and supporting recovery from the 2021 drought by conducting a livestock restocking programme.

b. Education Sector

30. The Educational sector comprises of the department of Early Years Education and Vocational Training. The Department will focus on ensuring increased transition from primary to secondary and from secondary to tertiary levels of education by providing scholarship through the Ward Bursary Fund and subsidized tuition for VTC learners.
31. In the FY 2022/23, the Department will ensure that the learning continues in the 319 EYE centres, provide meals and learning materials for learners and conduct in-service training for EYE teachers. On vocational training, the Department will complete and operationalize VTCs currently under construction; enhance the supply of learning materials and subsidize tuition for VTC learners, as well as equipping the Youth Empowerment and Innovation Centre.
32. The County will continue supporting access, retention and transition in education by continuing with the Ward Bursary Fund and the Governor's Scholarship Fund.

c. Culture, Recreation and Social Protection

33. County departments in the sector is the Department of Gender, Culture, Youth, Sports and Social Services. The main goals of this sector are: To provide social welfare services, coordinate disability mainstreaming, spearhead youth development, and provide gender and community services. This sector also seeks to promote, develop and preserve culture; provide

library and information services, and rescue and rehabilitate Orphans and Vulnerable Children (OVCs). Additionally, it endeavors to enhance sustainable social development through the identification, nurturing, developing and managing sports, arts and talents.

34. In the FY 2022/23, the Sector will focus on operationalizing the Hola stadium and other sports infrastructure, implementation of the Tana River PWDs Act, documentation of heritage sites, construction of 2 basketball courts, registration of vulnerable population in need of social protection (OVCs, elderly persons, PWDs), provision of social protection covers for vulnerable populations (older persons), and procurement and distribution of sports kits to sports teams.

d. Health Sector

35. The Health sector is represented by the Department of Medical Services, Public Health and Sanitation. The main goal of the sector is to provide essential health services that are accessible, responsive and affordable to the county population.
36. In the FY 2022/23, the Sector will focus on the following priorities: human resource for health (employment of 2 specialists and promotion of medical staff); raise the counterpart funding for conditional grants, management and coordination of health services, curative and rehabilitative health care services, preventive and promotive health care programs, establishment of mini-hospitals across the cluster villages, operationalization of the HDU at the Hola County Referral hospital (HCRH), completion of inpatient block at HCRH, installation of paperless data systems at the health facilities, supply of electricity to health facilities, equipping and fencing of health facilities.

e. The General Economic and Commercial Affairs Sector

37. The General Economic and Commercial Affairs sector is composed of the Department of Trade, Tourism and Industrial Development and the Cooperative Development unit within the Department of Agriculture, Livestock, Fisheries and Veterinary Services. The main goal of the sector is to promote and develop weight and measures, fair trade, tourism, industrialization, entrepreneurship and investment.

38. In the FY 2022/23, the sector will prioritize the following programmes: Trade development through the operationalization of the INUKA Fund and further to increase the allocations for the fund to enhance access to credit and promote growth of SMEs, Construction of Kipini Market, Renovation of Bura Fresh Produce Market, strengthen linkage between VTC graduates and markets, construction of Madogo modern market and restoration of heritage sites.

f. The Public Administration and Inter Governmental Relations Sector

39. The Public Administration and Inter Governmental Relations comprise of the Department of Public Service Management, Administration and Citizen Participation, the County Treasury (Department of Finance and Economic Planning), the County Public Service Board, Office of the Governor and the Deputy Governor, Cohesion and Special Programs and the County Assembly. The overall goal of this sector is to provide policy and leadership direction, oversight and management of the county fiscal, human and economic resources.

40. The Department of Finance and Economic Planning will prioritize the following in the FY 2022/23: formulation of economic plans and policies including CIDP III, Sectoral Plans, ADPs, CBROPs, CFSPs and Budget Estimates, monitoring, evaluation and reporting on projects and programmes, supply chain management services (procurement planning, implementation and reporting), internal audit services special audits, facilitate operations of the County Audit Committee), revenue (enabling legislation and revenue administration), financial reporting and facilitating county departments in requisition of funds. The department will further endeavor to digitize records for ease of access and improved record keeping which has been identified as a weakness during various audit processes.

41. The Department of Public Service Management, Administration and Citizen Participation will seek to improve service delivery through the following interventions: automation of county filing system, Performance Management System (Performance Contracting and Performance Appraisal System), Induction of new recruits and enhancement of the IPPD system. The department will further construct 2 ward administrators offices as well as an ICT Resource Centre.

42. The County Public Service Board will prioritize the following: Develop and cascade the HR discipline manual, review of the HR manual, implementation of the internship policy, construction of an office block, purchase of 2 motor vehicles and 1 motor cycle, establishment of a HRMIS, facilitating induction of new staff and training of staff on change management, management of personal finances, drug and substance abuse and HIV/AIDS.
43. Cohesion and Special Programmes will focus on the implementation of the county DRM Act, coordination of emergency response and recovery programmes including water trucking, and distribution of relief supplies. Mitigation of forecasted extreme drought situation will also be planned for and prioritized.
44. The county will also continue to pursue Economic integration by actively participating in activities of *Jumuia ya Kaunti za Pwani* (JKP) and the Frontier Counties Development Council (FCDC) to promote economic growth and integrated regional development.

g. The Water, Environment and Natural Resources Sector

45. This sector comprises the Department of Water, Environment and Natural Resources. The sector is home to one semi-autonomous government agency, the Tana Water and Sewerage Company (TAWASCO). The main objective of this sector is to improve household access to safe potable water and ensure sustainable utilization of natural resources.
46. In the financial year 2022/23, the Water and Sanitation sub-sector will prioritize the following programmes: water services management, water supply resources management, and water harvesting and storage. Some of the planned projects include rehabilitation and maintenance of boreholes across the County; construction of steel water tank; installation of Ultrafiltration Unit at Hola water supply; and extension of pipeline from Wachakone to the new County Headquarters.
47. The Environment and Natural sub-sector will focus on the following programmes: implementation of the Tana River County Climate Change Act 2021, solid waste management through garbage collection and demarcation of dumping sites, and environmental protection.

h. The Energy, Infrastructure and ICT Sector

48. This sector consists of the following County departments and agencies: Department of Roads, Transport, Public Works, Housing and Urbanization, the Department of Lands and Physical Planning, ICT Directorate, and Hola Municipality and Directorate of Water and Energy.
49. In the FY 2022/23, the sector shall focus on the following: maintenance of existing road networks and the upgrading of rural access roads; expansion and maintenance of street lights, construction and supervision of county physical infrastructure, construction and maintenance of Government houses, completion of the Hola municipality and the county spatial plans, survey and titling of urban centres, linking of government offices to fibre link connection, construction of ICT resource centres, construction of phase II of the storm water drainage, and development of walkways and non-motorised transport infrastructure.
50. Other programmes that the sector will prioritize include developing and implementing ICT policies, maintaining county information services through the county website and mass messaging, maintaining the government fleet of vehicles and transport equipment, community land registration and formalization of existing settlements.
51. The County will also focus on the promoting the use of clean energy in government projects and in the population. Initiatives include solar street lighting, solarization of boreholes and water pumps in irrigation schemes, establishment of solar mini-grids, and supply of solar lanterns.

SECTION III: FISCAL POLICY AND BUDGET FRAMEWORK FOR FY 2022/23

52. This section provides the fiscal policy, principles, reforms and budgetary framework to be implemented in the next financial year to enhance the fiscal position of the county. Tana River County is committed to implement an effective fiscal policy while realizing the strategic blueprint and ensuring overall economic growth. Therefore, this section provides reforms in the administration of revenue, expenditure management, and the overall budget framework for FY 2022/23. It showcases measures to improve efficiency in budgetary allocations, increase revenue collection and operationalize tracking of programmes and projects through monitoring and evaluation.

Budget Framework

53. Allocation and prioritization of resources shall be on the basis of the key development strategic blueprints in the Second-Generation County Integrated Development Plan (CIDP II), Annual Development Plan (ADP) 2022/23, and departmental strategic plans. The CFSP outlines the medium-term fiscal framework, policies and strategic objectives for the county, which is the basis for the FY 2022/23 budget.

54. The FY 2022/23 budget will focus on measures to invest in the health and water sectors, support recovery from the impact of COVID-19, completion ongoing development projects by settling pending bills owed to SMEs, and ensuring effective monitoring and evaluation of programmes and projects that are aimed at enhancing the quality of life and standard of living for the citizens of Tana River County. Therefore, this budget will seek to prioritize the settlement of the pending bills from previous FYs recommended for settlement in the report of the Tana River County Ineligible Pending Bills Resolution Committee and at the end of the FY 2021/22. This is so as to consolidate the gains made in previous years but it will also seek to achieve the outlined four objectives to better the living standards of the citizens.

Table 4: County Government of Tana River Budget Framework for FY 2022/23 and the Medium-Term

	Approved Estimates Kshs.	Approved Estimates Kshs.	Proposed Ceilings	Projections Kshs.	
	2020/2021	2021/2022	2022/23	2023/24	2024/25
Revenue Summary/ Funding					
Equitable Share of Revenue Raised Nationally	5,855,250,000	6,528,408,765	6,528,408,765	6,854,829,203	7,197,570,663
Conditional Allocations from National Government Revenue	237,326,233	75,000,000	78,750,000	82,687,500	86,821,875
Conditional Allocations from Development Partners	551,671,444	468,563,507	0	0	0
Revenue from Own County Sources	72,600,000	79,860,000	87,846,000	96,630,600	106,293,660
Balance B/F	1428402576	966,116,250	0	0	0
Grand Total	8,145,250,253	8,117,948,522	6,695,004,765	7,034,147,303	7,390,686,198
Expenditure Summary					
Personnel Emoluments	2,044,484,278	2,222,977,030	2,249,652,082	2,362,134,686	2,480,241,421
Operations and Maintenance	2,675,897,996	3,044,080,667	2,381,726,254	2,505,204,866	2,635,296,640
Development	3,424,867,979	2,850,890,825	2,063,626,429	2,166,807,750	2,275,148,138
Grand Total	8,145,250,253	8,117,948,522	6,695,004,765	7,034,147,303	7,390,686,198

Revenue Projections

55. The projected FY 2022/23 resource envelop is KES. 6.695 billion. This is constituted by KES. 6.528 billion equitable share of revenue raised nationally, Ksh. 87.84 million of county own source revenue and Kshs. 78.75 million as conditional grants from national government. The High Court Ruling on petition No. 252 of 2016 in December, 2020 on conditional and non-conditional allocations directed that these allocations are not items to be provided for in the Division of Revenue Act and as such the Senate passed the Division of Revenue Bill (DoRB), 2021 without the conditional grants. The *County Governments Grants Bill, 2021* has been passed by the senate and is currently at the National Assembly. The outcome will determine mechanisms for disbursement of conditional grants to counties in subsequent financial years.

Expenditure Projections

56. The ADP outlines the development priorities for FY 2022/23 as per the sector programmes to be implemented. The principles of fiscal responsibility have been adhered to in allocation of the overall county expenditure budget.
57. The FY 2022/23 total expenditure is projected to be KES. 6.695 billion in pursuit of a balanced budget.

Recurrent Expenditure

58. The projections of FY 2022/23 indicate a recurrent expenditure of 69.18 percent of the total net estimated budget which is Kshs.4.63B. The recurrent budget will enhance county service delivery and support development projects and programmes through the effective implementation of Programme Based Budgeting (PBB).
59. The total recurrent expenditure constitutes of Kshs. 2.249 billion Personnel Emoluments (P/E) which is 33.60 percent of the net county budget. The Operations and Maintenance (O/M) expenditure is estimated to amount to Kshs. 2.382 billion reflecting 35.58 percent of the total net County Government budget.

Development Expenditure

60. The development expenditure for 2022/23 financial year is estimated at Kshs. 2.064 billion, which is 30.82 percent of the total expenditure. This meets the fiscal responsibility principle on development expenditure (PFM Act 2012 Section 107) which requires that a minimum of 30 percent of the total county government budget be allocated to development.

Fiscal balance

61. In the FY 2022/23 the county government will operate on a balanced budget as guided by the Public Finance Management Act 2012 fiscal responsibility principles. However, the county

leadership is pursuing strategic partnership with both domestic and foreign donors to complement the county efforts to fast-track economic development.

Fiscal Structural Reforms

62. The county government seeks to implement several reforms in the management of its fiscal position. Specifically, the County government will pursue the fiscal consolidation policy to provide and maintain a balance between revenues and expenditures. This policy will result in enhanced efficiency in revenue collection, strengthened revenue mobilization, and elimination of unproductive expenditures. The county will build on the improved revenue collection recorded in the previous FY by applying measures to increase revenue collection, administration and usage. Coupled with austerity measures and the passage of the Finance Bill into an Act, the County will have a better fiscal position.
63. The County shall review revenue collection and management procedures and also anchor them in the Finance bill(s). It will continue in the implementation revenue legislation and policies that supports levies such as County Revenue Administration Act, Single Business Permits, Cess, Rates and Liquor Licensing. The County will continue to explore the automation of revenue administration targeting key revenue streams that will enhance efficiency in revenue collection. In regards to administration, the county will enhance enforcement rules for revenue collection and administration. Enforcement will include strict measures such as penalties and fines to defaulters and those who do not comply with revenue legislation and consider waivers for parties that show prudence in settling unpaid rates and taxes.
64. The County Government shall finalize the preparation of the valuation roll so as to effectively collect land rates; fast track the payments of CILOR; Endeavour to become a rating authority and all land to be ratable and land rates to be revised upwards.
65. The County Government will implement expenditure control measures by cutting unproductive expenses and spending only on specific items as indicated in the approved budget.

66. In ensuring accountability in budget implementation, processing of procurement and payments for all goods, works and services have been decentralized from the County Treasury to County departments, and all procurement is done through e-sourcing.
67. The County has institutionalized project management by setting up monitoring and evaluation (M&E) committees which are tracking the implementation of development projects and programs from the county level to the ward and the lowest devolved unit. It will further continue to support the activities of the Sub-County M&E Committees, operationalize the County M&E Committee (COMEC) and implement the County M&E bill to promote efficient and effective investment and monitoring and evaluation of programmes and projects.
68. There shall be an asset management and disposal policy which will ensure that all assets acquired are recorded in an asset register and disposed appropriately upon expiry. Meanwhile the County Transport and Administration policy shall ensure seamless management of the existing vehicles and minimize attendant wastage.
69. The County shall institutionalize performance management system to ensure effective and efficient service delivery to the county residents and beyond through the Performance Contracting and performance appraisal system that will further be linked to the Electronic Monitoring and Evaluation System (e-CIMES).
70. The County has the County Audit Committee. The committee shall support the County in ensuring that external and internal audit recommendations are fully addressed.

SECTION IV: MEDIUM TERM EXPENDITURE FRAMEWORK

Resource Envelope

72. The total budget for 2022/23 is estimated at Kshs. **6,695,004,765**. This is a provisional figure arrived at from projections of the draft 2022 National Budget Policy Statement (BPS). The actual estimates will be informed by the County Allocation of Revenue Act (CARA) 2021. The resource envelope may include a balance brought forward from the 2021/22 budget considering the challenges in delays in exchequer releases and delays in procuring projects.

Spending Priorities

73. The County Government endeavors to invest more resources in five strategic areas during the FY 2022/2023:

- a. Investing in quality and accessible healthcare.
- b. Investing in quality education and training.
- c. Investing in modern and commercially oriented Agriculture and Livestock.
- d. Investing in urban planning and development.
- e. Investing in good governance.

74. While all sectors will be allocated adequate resources to enable them enhance the provision of services, the County shall allocate more resources to the water and health sectors. The county will also invest more on education, agriculture and infrastructure (Roads, Transport, Public Works, Housing and Urbanization, Lands and Physical Planning, and Hola Municipality).

Medium Term Expenditure Estimates

75. The ceilings for every County Government department/entity have been tabulated to include the personnel emoluments, operations and maintenance and development budget. The recurrent expenditure ceilings are based on the wage bill and requisite operations and maintenance budgets from the previous years. The development expenditure ceilings on the other hand are informed by the priorities identified for the FY 2022/23 and the medium term.

These also considered ongoing projects that must be completed to achieve their desired outcomes.

76. The 2022/23 and outer years' conditional grants have been excluded from the respective departmental ceilings awaiting the National Assembly decision on the County Government's Grants Bill, 2021. The table below provides the projected baseline ceilings for the 2022 MTEF, classified by County Department.

Table 5: Medium Term Expenditure Ceilings 2022/23 to 2024/25

Department/ Sector		Total Expenditure				% Share of Total Expenditure			
		Final Approved Estimates	Ceilings Proposed Estimates	Projections Estimates	Proposed	Final Approved Estimates	Ceilings Proposed Estimates	Projections Proposed Estimates	
		2021/2022	2022/23	2023/24	2024/25	2021/2022	2022/23	2023/24	2024/25
County Assembly	Sub- Total	908,396,752	638,396,752	670,316,590	703,832,419	10.29%	9.54%	9.54%	9.54%
	Rec	588,396,752	588,396,752	617,816,590	648,707,419	6.66%	8.79%	8.79%	8.79%
	PE Gross	321,323,167	321,323,167	337,389,325	354,258,791	3.64%	4.80%	4.80%	4.80%
	OM Gross	267,073,585	267,073,585	280,427,265	294,448,628	3.02%	3.99%	3.99%	3.99%
	Dev. Gross	320,000,000	50,000,000	52,500,000	55,125,000	3.62%	0.75%	0.75%	0.75%
Office of the Governor and the Deputy Governor	Sub- Total	568,322,556	568,482,276	596,906,390	626,751,710	6.43%	8.49%	8.49%	8.49%
	Rec	568,322,556	568,482,276	596,906,390	626,751,710	6.43%	8.49%	8.49%	8.49%
	PE Gross	105,819,711	105,819,711	111,110,696	116,666,231	1.20%	1.58%	1.58%	1.58%
	OM Gross	462,502,845	462,662,566	485,795,694	510,085,479	5.24%	6.91%	6.91%	6.91%
	Dev. Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Finance and Economic Planning	Sub- Total	1,206,444,385	832,209,480	873,819,954	917,510,952	13.66%	12.43%	12.43%	12.43%
	Rec	756,993,212	378,583,051	397,512,204	417,387,814	8.57%	5.65%	5.65%	5.65%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	756,993,212	378,583,051	397,512,204	417,387,814	8.57%	5.65%	5.65%	5.65%
	Dev. Gross	449,451,173	453,626,429	476,307,750	500,123,138	0.00%	0.00%	0.00%	0.00%

County Public Service Board	Sub-Total	69,512,420	69,512,420	72,988,041	76,637,443	0.79%	1.04%	1.04%	1.04%
	Rec	69,512,420	69,512,420	72,988,041	76,637,443	0.79%	1.04%	1.04%	1.04%
	PE Gross	37,976,886	37,976,886	39,875,730	41,869,517	0.43%	0.57%	0.57%	0.57%
	OM Gross	31,535,534	31,535,534	33,112,311	34,767,926	0.36%	0.47%	0.47%	0.47%
	Dev. Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Trade, Tourism & Wildlife, and Cooperative Development	Sub-Total	65,590,342	155,599,698	163,379,682	171,548,667	0.74%	2.32%	2.32%	2.32%
	Rec	38,590,342	33,599,698	35,279,682	37,043,667	0.44%	0.50%	0.50%	0.50%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	38,590,342	33,599,698	35,279,682	37,043,667	0.44%	0.50%	0.50%	0.50%
	Dev. Gross	27,000,000	122,000,000	128,100,000	134,505,000	0.31%	1.82%	1.82%	1.82%
Agriculture, Livestock, Fisheries and Veterinary Services	Sub-Total	712,192,653	321,821,319	337,912,385	354,808,004	8.06%	4.81%	4.81%	4.81%
	Rec	173,127,943	159,321,319	167,287,385	175,651,754	1.96%	2.38%	2.38%	2.38%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	173,127,943	159,321,319	167,287,385	175,651,754	1.96%	2.38%	2.38%	2.38%
	Dev. Gross	539,064,710	162,500,000	170,625,000	179,156,250	6.10%	2.43%	2.43%	2.43%
Youth, Sports, Gender, Culture and Social Services	Sub-Total	109,804,560	84,683,447	88,917,620	93,363,501	1.24%	1.26%	1.26%	1.26%
	Rec	54,804,560	47,683,447	50,067,620	52,571,001	0.62%	0.71%	0.71%	0.71%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	54,804,560	47,683,447	50,067,620	52,571,001	0.62%	0.71%	0.71%	0.71%

	Dev. Gross	55,000,000	37,000,000	38,850,000	40,792,500	0.62%	0.55%	0.55%	0.55%
Education and Vocational Training	Sub-Total	261,484,467	278,194,329	292,104,045	306,709,247	2.96%	4.16%	4.16%	4.16%
	Rec	221,809,573	198,194,329	208,104,045	218,509,247	2.51%	2.96%	2.96%	2.96%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	221,809,573	198,194,329	208,104,045	218,509,247	2.51%	2.96%	2.96%	2.96%
	Dev. Gross	39,674,894	80,000,000	84,000,000	88,200,000	0.45%	1.19%	1.19%	1.19%
Medical Services, Public Health and Sanitation	Sub-Total	1,439,524,644	1,279,971,811	1,343,970,402	1,411,168,922	16.30%	19.12%	19.12%	19.12%
	Rec	1,159,524,644	1,109,971,811	1,165,470,402	1,223,743,922	13.13%	16.58%	16.58%	16.58%
	PE Gross	836,447,101	836,447,101	878,269,456	922,182,929	9.47%	12.49%	12.49%	12.49%
	OM Gross	323,077,543	273,524,711	287,200,946	301,560,993	3.66%	4.09%	4.09%	4.09%
	Dev. Gross	280,000,000	170,000,000	178,500,000	187,425,000	3.17%	2.54%	2.54%	2.54%
Special Programmes	Sub-Total	202,274,495	144,797,767	152,037,656	159,639,538	2.29%	2.16%	2.16%	2.16%
	Rec	202,274,495	144,797,767	152,037,656	159,639,538	2.29%	2.16%	2.16%	2.16%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	202,274,495	144,797,767	152,037,656	159,639,538	2.29%	2.16%	2.16%	2.16%
	Dev. Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Roads, Transport, Public Works, Housing and	Sub-Total	592,116,778	599,988,739	629,988,176	661,487,585	6.70%	8.96%	8.96%	8.96%
	Rec	70,147,976	67,988,739	71,388,176	74,957,585	0.79%	1.02%	1.02%	1.02%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%

Urban Development	OM Gross	70,147,976	67,988,739	71,388,176	74,957,585	0.79%	1.02%	1.02%	1.02%
	Dev. Gross	521,968,802	532,000,000	558,600,000	586,530,000	5.91%	7.95%	7.95%	7.95%
Water, Irrigation, Environment and Natural Resources	Sub-Total	341,123,241	454,921,036	477,667,087	501,550,442	3.86%	6.79%	6.79%	6.79%
	Rec	89,391,995	73,421,036	77,092,087	80,946,692	1.01%	1.10%	1.10%	1.10%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	89,391,995	73,421,036	77,092,087	80,946,692	1.01%	1.10%	1.10%	1.10%
	Dev. Gross	251,731,246	381,500,000	400,575,000	420,603,750	2.85%	5.70%	5.70%	5.70%
Public Service, Administration, and Citizen Participation	Sub-Total	1,275,568,109	1,166,189,128	1,224,498,585	1,285,723,514	14.44%	17.42%	17.42%	17.42%
	Rec	1,197,568,109	1,121,189,128	1,177,248,585	1,236,111,014	13.56%	16.75%	16.75%	16.75%
	PE Gross	901,410,166	927,085,218	973,439,479	1,022,111,453	10.21%	13.85%	13.85%	13.85%
	OM Gross	296,157,943	194,103,910	203,809,106	213,999,561	3.35%	2.90%	2.90%	2.90%
	Dev. Gross	78,000,000	45,000,000	47,250,000	49,612,500	0.88%	0.67%	0.67%	0.67%
Lands and Physical Planning	Sub-Total	199,593,120	64,446,563	67,668,891	71,052,335	2.26%	0.96%	0.96%	0.96%
	Rec	39,593,120	34,446,563	36,168,891	37,977,335	0.45%	0.51%	0.51%	0.51%
	PE Gross	0	0	0	0	0.00%	0.00%	0.00%	0.00%
	OM Gross	39,593,120	34,446,563	36,168,891	37,977,335	0.45%	0.51%	0.51%	0.51%
	Dev. Gross	160,000,000	30,000,000	31,500,000	33,075,000	1.81%	0.45%	0.45%	0.45%
Holla Municipality	Sub-Total	166,000,000	35,790,000	37,579,500	39,458,475	1.88%	0.53%	0.53%	0.53%
	Rec.	37,000,000	35,790,000	37,579,500	39,458,475	0.42%	0.53%	0.53%	0.53%

	PE Gross	20,000,000	21,000,000	22,050,000	23,152,500	0.23%	0.31%	0.31%	0.31%
	OM Gross	17,000,000	14,790,000	15,529,500	16,305,975	0.19%	0.22%	0.22%	0.22%
	Dev. Gross	129,000,000	0	0	0	1.46%	0.00%	0.00%	0.00%
Conditional Grants from Donors	Total	713,997,677	0	0	0	8.08%	0.00%	0.00%	0.00%
	Rec	5,267,057,697	4,631,378,336	4,862,947,253	5,106,094,616	59.64%	69.18%	69.18%	69.18%
TOTAL	PE Gross	2,222,977,031	2,249,652,082	2,362,134,686	2,480,241,421	25.17%	33.60%	33.60%	33.60%
	OM Gross	3,044,080,666	2,381,726,254	2,500,812,567	2,625,853,195	34.47%	35.57%	35.57%	35.57%
	Dev. Gross	3,564,888,502	2,063,626,429	2,166,807,750	2,275,148,138	40.36%	30.82%	30.82%	30.82%
Total Resource Envelope	Total	8,831,946,199	6,695,004,765	7,029,755,004	7,381,242,754	100.00%	100.00%	100.00%	100.00%

NB: All the personnel emoluments (PE) for all County Departments have been consolidated to the Department of Public Service Management, Administration and ICT. This is except for the County Assembly, Office of the Governor, County Public Service Board, Department of Health and Hola Municipality.

Finalization of Spending Plans

77. These estimates take into consideration the estimates contained in the draft 2022 National Budget Policy Statement (BPS). However, these revenue estimates shall be firmed up when the County Allocation of Revenue Act (CARA) and other county policy statements are approved. However, in case of any additional resources the county shall invest in programs and projects that are geared towards urbanization, quality and affordable health care, quality and accessible education, food security, poverty reduction and employment creation which are in line with the FY 2022/23 budget theme.

Details of Sector Priorities

78. Sector priorities have taken into account priorities of the Second-Generation County Integrated Development Plan (CIDP II) and broad strategic priorities of Kenya vision 2030. Sectors, through the Sector Working groups reviewed their performances and put forward their financial plans taking into consideration the reality of scarce and the need to ensure optimal allocation of resources with efficiency, economy and effectiveness. The details of the sector priorities are explained as follows:

Table 6: Sector Mandates, Key Achievements, Medium Term Plans and Resource Usage

OFFICE OF THE GOVERNOR	
Department's Mandate	To Ensure citizen centric service delivery through public participation for social transformation, enhance departmental capacity and conducive work environment for quality service delivery as well as leverage ICT infrastructure and services for quality service delivery and special programs.
Key Achievements of the Department	Established and/or strengthened strategic partnerships; peace structures within the county and with other counties operational;
Department's Medium-Term Plans	Documentation and publication of county government achievements; identification and mapping of county strengths and resources; maintenance of law and order and reduce conflicts within the county; foster partnerships with the national government ministries, departments and agencies, and development partners for improved governance and

	resource mobilization; provide policy and legal support; coordination of intra-county and inter-county peace structures; spearheading improvements in public service delivery; conduct campaigns against female genital mutilation; operationalization of county coordination unit; develop policy guidelines on partnerships and linkages negotiations.
Department's Resource Usage	Recurrent – Kshs. 568,482,276 Development – Kshs. ; 0 Total – Kshs. 568,482,276
FINANCE AND ECONOMIC PLANNING	
Department's Mandate	This sub sector is mandated to provide overall policy, leadership, and oversight in economic and devolution management to the county, public service delivery and resource mobilization. It further coordinates county policy formulation, implementation as well as facilitating the tracking of the implementation of county programmes. The sub-sector prepares annual estimates of revenues and expenditures laid before the County Assembly for approval including the preparation of supplementary estimates as and when the need arises. Further, the sub-sector ensures proper monitoring of all programmes and projects to ensure goals and objectives are achieved as initially planned. It is also responsible for policy analysis on a wide range of issues including: fiscal issues, trade issues and private sector development issues. In addition, the department ensures that external resources (grants, loans, donations) are effectively mobilized, disbursed and efficiently utilized and that there is prudent public debt management.
Key Achievements of the Department	The key achievements of the department include full adoption of IFMIS and e-procurement; establishment of the County Audit Committee, institution of strategies that have increased resource absorption within departments; institution of financial reforms and expenditure management strategies, increase in Own Source Revenue collection; formation and training of M&E committees; implementation of CIMES; and adherence to the budget calendar including the formulation of the C-ADP, CBROP, CFSP and Budget Estimates.

Department's Medium-Term Plans	The Department of Finance and Economic Planning will prioritize the following in the FY 2022/23: participatory economic planning and budgeting; strengthen CIMES; improve reporting and use of M&E information for decision-making; strengthen the internal audit function by developing the County risk profile and supporting the activities of the county audit committee; provide effective and efficient supply chain management services to County departments; ensure compliance to the PFM Act 2012 and its requisite regulations and the PSASB standards; and improving revenue administration by increasing supervision and opening up new revenue streams; digitization of records for ease of access and improved record keeping; clearance of pending bills.
Department's Resource Usage	Recurrent – Kshs. 378,583,051 Development – Kshs. 453,626,429 ; Total – Kshs. 832,209,480
COUNTY PUBLIC SERVICE BOARD	
Department's mandate	The functions of the Board are enshrined in section 59 of the County Government Act, 2012 and are: Establish and abolish offices in the county public service; Appoint persons to hold or act in offices of the county public service including in the Boards of cities and urban areas within the county and to confirm appointments; exercise disciplinary control over, and remove, persons holding or acting in those offices ; prepare regular reports for submission to the county assembly on the execution of the functions of the Board; Promote in the county public service the values and principles; Evaluate and report to the county assembly on the extent to which the values and principles are complied with in the county public service; Facilitate the development of coherent, integrated human resource planning and budgeting for personnel emoluments in counties; Advise the county government on human resource management and development; advise county government on implementation and monitoring of the national performance management system in counties; and make recommendations to the Salaries and Remuneration Commission, on behalf of the county government, on the remuneration, pensions and gratuities for county public service employees.

Key departmental achievements	Filling of vacant positions in various sectors; developed the Code of Conduct for the County public service; participation in networking fora and training include those by the Institute of Human Resource Management (IHRM); and facilitating board meetings.
Department's medium term plans	The County Public Service Board will prioritize the following: Develop and cascade the HR discipline manual, review of the HR manual, implementation of the internship policy, promote values and principles of an efficient county public service, provide advisories on human resource management and development; facilitate recruitment of staff; automation of records and systems; development and cascading of the code of conduct; and development of the CPSB Strategic Plan.
Department's resource usage	Recurrent – Kshs. 69,512,420 ; Development – Kshs.0 ; Total – Kshs. 69,512,420 .
TRADE, TOURISM & WILDLIFE AND COOPERATIVE DEVELOPMENT	
Department's mandate	Promotion and development of trade, markets; Trade Licensing and Business Regulation; Formation and Profiling of Producer Business Groups (PBGs); Financial support to the Micro, Small and Medium Enterprises (MSMEs); Promotion, Registration, supervision, inspection and auditing of cooperative societies; Capacity building, value addition and entrepreneurship; Promotion of fair trade practices and consumer protection; Advising on taxation, Fraud Risk management and governance in the co-operative sector; Promotion of Micro, Small (Jua Kali) and cottage industries; Promotion of investments and industrial development; Promotion of Industrial parks; Promotion of technological transfer; Resource mapping, profiling and data collection in all the sectors; Profiling and development of tourism products (tourist, cultural and heritage) and services in the county; Marketing and product development in the County within the entire sector; Verification and stamping of weighing and measuring instruments for use for trade in the county
Key departmental achievements	Facilitated registration of new businesses; continued with the renovation and fencing of the Garsen Jua Kali sheds; installation of weighbridges

	at Bangale and Hurara; construction of the County cooperative office is ongoing; renovation and fencing of the Hola jua kali sheds ongoing;
Department's medium-term plans	In the FY 2021/22, the sector will prioritize the following programmes: Trade development through the operationalization of the INUKA Fund to enhance access to credit and promote growth of SMEs, business licensing, promotion of fair-trade practices and consumer protection, support Jua Kali artisans in their trade, tourism marketing and promotion, and development and marketing of the cooperative movement in the County; Construction of Kipini Market, Renovation of Bura Fresh Produce Market, strengthen linkage between VTC graduates and markets, construction of Madogo modern market and restoration of heritage sites.
Department's resource usage	Recurrent – Kshs. 33,599,698 ; Development – Kshs. 122,000,000 ; Total – Kshs. 155,599,698
AGRICULTURE, LIVESTOCK, FISHERIES AND VETERINARY SERVICES	
Department's Mandate	<p>To attain food security, and sustainable agricultural infrastructure development, improve agricultural productivity through value addition, increasing market access and adoption of technologies; exploiting irrigation potential and sustainable management of resources in the sector.</p> <p>To promote, regulate and facilitate livestock production for socioeconomic development and industrialization.</p> <p>To provide and facilitate efficient veterinary services for production of safe and high-quality animals, animal products and by-products and promote trade and industrial growth in a sustainable environment.</p> <p>Promotion of competitive innovative, sustainable fisheries development, and equitable distribution of resources to improve livelihood.</p>
Key Achievements of the Department	Improving mobility by acquiring 10 motor cycles for extension staff; investment in agriculture mechanization services by acquiring 20 tractors and implements for 10 tractors; agriculture subsidy programme – supporting farmers with seeds, fertilizer, fungicides and in mechanization services; provision of extension services – agriculture,

	livestock and fisheries; vaccination of livestock; opening of the Titila livestock market; distribution of bee hives; and meat inspection services.
Department's Medium Term Plans	Strengthen extension services by employing more extension staff and improving their mobility; surveillance and management of crop and animal diseases; agriculture subsidy program – seeds, fertilizer, fungicides and mechanization in the irrigation schemes; post-harvest management – procurement of moisture meters to test for aflatoxin levels, completion of food store; completion of ongoing and operationalization of small-scale irrigation schemes; procurement of tractors and tractor equipment; marketing of farm produce through cooperatives; operationalization of the ATC; livestock marketing; livestock breed improvement; fodder production including purchase of harvesting and baling equipment; apiculture – purchase and distribution of beehives, establishment of honey collection and processing centres, marketing of honey through cooperatives; meat inspection; completion of the ongoing small scale irrigation projects, improve on the existing minor irrigation schemes to accommodate the hydroponics and shade net technologies, farm input subsidy program, apiculture development program (fencing of honey production and collection points), strengthening mechanization services; promoting value addition of agricultural produce; and supporting recovery from the 2021 drought by conducting a livestock restocking programme.
Department's Resource Usage	Recurrent – Kshs. 159,321,319 ; Development – Kshs. 162,500,000 ; Total – Kshs. 321,821,319
YOUTH, SPORTS, GENDER, CULTURE AND SOCIAL SERVICES	
Department's mandate	To promote Social Development and Social Protection support for elderly persons, promote Culture, Arts and Children services, To establish and strengthen community cohesion that promotes peace and justice, competent and committed communities' development
Key departmental achievements	Continued construction of the Hola stadium; improvement of 15 playing grounds; participated in national and international days; women empowerment trainings; conducting sports tournaments within the

	County as well support the participation of county teams in tournaments outside the county; ongoing construction of Hola multipurpose hall.
Department's medium term plans	Documentation of heritage sites; registration of vulnerable population in need of social protection (OVCs, elderly persons, PWDs); provision of social protection covers for vulnerable populations (older persons); the Sector will focus on operationalizing the Hola stadium and other sports infrastructure, implementation of the Tana River PWDs Act, documentation of heritage sites, construction of 2 basketball courts
Department's resource usage	Recurrent – Kshs. 47,683,447 ; Development – Kshs. 37,000,000 ; Total – Kshs. 84,683,447
EDUCATION AND VOCATIONAL TRAINING	
Department's Mandate	To provide quality and basic education, develop vocational skills and talents to enhance socio economic prosperity, cohesion and self-reliance. The department aim to provide, promote and coordinate education and training programs, research and innovations, and talents development.
Key Achievements of the Department	<p>In the FY 2020/21, the Department has ensured that 319 EYE centres are operational with about 22,000 learners and a teaching staff of 504. The Department has ensured supply of learning materials and provision of meals to children in school. Moreover, the Department conducted a refresher training for EYE teachers and had plans to absorb the volunteer teachers.</p> <p>On Vocational training, the Department has increased the enrolment in VTCs from 250 in 2018 to over 800 learners before the closure of learning institutions following the COVID-19 pandemic. Towards this, the Department is at various stages of constructing new VTCs in Madogo, Bangale, Waldena and Kipini and has ensured steady supply of learning materials.</p> <p>The Department invested in ensuring transition from primary to secondary and from secondary to tertiary levels of education by providing scholarship through the Ward Bursary Fund and subsidized tuition for VTC learners.</p>

Department's Medium Term Plans	<p>In the FY 2022/23, the Department will ensure that the learning continues in the 319 EYE centres, provide meals and learning materials for learners and conduct in-service training for EYE teachers. On vocational training, the Department will complete and operationalize VTCs currently under construction; enhance the supply of learning materials and subsidize tuition for VTC learners, as well as equipping the Youth Empowerment and Innovation Centre.</p> <p>The County will continue supporting access, retention and transition in education by continuing with the Ward Bursary Fund and the Governor's Scholarship Fund</p>
Department's Resource Usage	<p>Recurrent – Kshs. 198,194,329; Development – Kshs. 80,000,000; Total – Kshs. 278,194,329</p>
HEALTH	
Department's Mandate	<p>The mission of the department is to build a progressive, responsive and sustainable technologically driven, evidence-based and client-cantered health system for accelerated attainment of the highest standard of health to all residents.</p> <p>The mandate of the department is: Eliminate communicable diseases; Provide essential healthcare; Halt and reverse the burden of non-communicable diseases; Reduce the burden of violence and injuries; Minimize exposure of health risk factors; and Strengthen collaboration with sector providers.</p>
Key Achievements of the Department	<p>The department-maintained services in all health facilities. More focus was given towards preparedness against COVID-19 and management of confirmed cases.</p> <p>The efficient supply of pharmaceutical and non-pharmaceutical supplies. The department procured five more fully equipped ambulances across the county to enhance the accessibility of health services to the people Tana River. The ongoing construction of expansion of the Mwina dispensary to a health Centre, the finalization of the renovation of the infectious disease laboratory at referral hospital and the county public health laboratory.</p>

Department's Medium Term Plans	In the FY 2022/23, the Sector will focus on the following priorities: human resource for health (recruitment of specialists , continue with its staff promotions across the cadres and continuous medical education and capacity building), strengthening of ambulance services, operationalization of the HDU unit at the County Referral hospital, Completion of in-patient block (construction of a waiting bay)at the county Referral hospital, Installation of paperless data system at the facilities, fencing of facilities to improve security and Equipping of health facilities (procurement and installation)
Department's Resource Usage	Recurrent – Kshs. 1,109,971,811 ; Development – Kshs. 170,000,000 ; Total – Kshs. 1,279,971,811.
COHESION AND SPECIAL PROGRAMS	
Department's Mandate	Provides technical and social services in risks and disaster management in the county
Key Achievements of the Department	Purchase of relief food for distribution to vulnerable households; continued construction of 2 ferro-cement tanks for water harvesting and storage; and purchase of two boats for emergency evacuation.
Department's Medium Term Plans	Cohesion and Special Programmes will focus on the implementation of the county DRM Act, coordination of emergency response and recovery programmes including water trucking, and distribution of relief supplies. Mitigation of forecasted extreme drought situation will be planned for and prioritized.
Department's Resource Usage	Recurrent – Kshs. 144,797,767 ; Development – Kshs.0 ; Total – Kshs. 144,797,767
ROADS, TRANSPORT, PUBLIC WORKS, HOUSING AND URBAN DEVELOPMENT	
Department's mandate	To provide, supervise and oversee the infrastructural development in the county, transport and related services for sustainable economic growth.
Key departmental achievements	Some of the key achievements include rehabilitation of roads including; Junction B89 - Mnazini (gravel), Waldena Township (gravel), Junction B89 – Sera – Garsen (mixed), Bura Township Roads (bitumen) and Emaus Extension (bitumen) The Public Works sub sector oversaw the continued construction of the County Headquarters in Dayate (currently at 68% completion). The

	department also renovated of the County Public Works offices, upgraded the access road to cabro standards and is in the process of formulation and adoption of building regulations policies and acts. Construction of a fire station is underway, with the project currently at 50% completion.
Department's medium-term plans	Maintenance of existing road networks and the upgrading of rural access roads; completion of the county headquarters; implementation of ward projects across the county; expansion and maintenance of street lights, construction and supervision of county physical infrastructure.
Department's resource usage	Recurrent – Kshs. 67,988,739 ; Development – Kshs. 532,000,000 ; Total – Kshs. 599,988,739
ENVIRONMENTAL PROTECTION, WATER AND NATURAL RESOURCES	
Department's Mandate	<p>Improve access to safe and affordable drinking water through investing in adequate infrastructure, providing sanitation facilities and encourage hygiene at every level.</p> <p>Provision of healthy and clean environment, sustainable natural resource utilization and Conservation, enhancing and supporting protection, development and management of Natural resources and its allied developments for environmental stability and socioeconomic advancement of the County.</p>
Key Achievements of the Department	<p>Creation awareness of the importance of protection and conservation of environment; Garbage collection within 8 urban centers, purchased solid waste segregation equipment; Purchased solid waste segregation equipment, purchase uniform for town cleaners; Management of <i>Prosopis Juliflora</i>, establishing the areas which have been degraded (Kipini sea shoreline), management of sea water intrusion at Kalota (Ozi); Established a report from the visibility studies on the sea water intrusion for further action; Establishment and development of 3 sub counties public parks and furnishing the office; The department developed climate change act, climate change policy, climate change adaptation plan and climate change action plan; County forest restoration policy and county landscape restoration action plan was established. department planted trees in the 20 institutions (primary and</p>

	<p>secondary schools); Fenced 3 dumping sites and fenced and installed water piping in 3 public parks; In collaboration with the Kenya Forest service, created awareness on the way of utilizing the <i>Prosopis Juliflora</i> (Mathenge) for charcoal production, medicinal use and food production; and empowered 300 women in the planting of trees within the 3 Public Parks at the 3 sub counties namely Tana River Sub County, Tana Delta and Tana North.</p> <p>Drilling of 8no boreholes in Kipini, Handampia, Katsangani, Baomo and Hola water supply; Procurement 7 no motorcycles, 1000 water meters solar water heating equipment for Hola referral hospital; Conducted both financial and technical audit and automated the 4 water supply offices.</p>
Department's Medium Term Plans	<p>The Water and Sanitation sub-sector will prioritize the following programmes: water services management, water supply resources management, and water harvesting and storage. Some of the planned projects include rehabilitation and maintenance of boreholes across the County; construction of steel water tank; installation of Ultrafiltration Unit at Hola water supply; and extension of pipeline from Wachakone to the new County Headquarters.</p> <p>The Environment and Natural sub-sector will focus on the following programmes: implementation of the Tana River County Climate Change Act 2021, solid waste management through garbage collection and demarcation of dumping sites, and environmental protection.</p>
Department's Resource Usage	<p>Recurrent – Kshs. 73,421,036; Development – Kshs. 381,500,000; Total – Kshs. 454,921,036</p>
PUBLIC SERVICE MANAGEMENT, ADMINISTRATION AND ICT	
Department's mandate	<p>The main mandate of the department is coordination of county public services up to the grass root levels as per the county government act. It is also responsible for efficient and effective management of county public service as well as ensuring compliance and enforcement of the county laws, policies and regulations. It coordinates the human resource management and development, civic education, public participation and</p>

	implementation of performance management in the county public service.
Key departmental achievements	<p>The ICT directorate has ensured that the County has active subscription to email services, has a website that is running and has ensured internet connectivity in various County offices. Further, the directorate has provided IT support to county users including support in acquisition and maintenance of IT equipment.</p> <p>The Human Resources directorate: ensuring that all County departments sign performance contracts; facilitating procurement and the administration of medical insurance cover for County staff; appraisal of revenue collection clerks and ECD teachers;</p> <p>The Administration directorate has ensured that enforcement officers have uniforms and that the officers provide security to county premises and in county operations.</p>
Department's medium term plans	<p>The Department of Public Service Management, Administration and Citizen Participation will seek to improve service delivery through the following interventions: automation of county human resource filling system; embracing performance management system by conducting performance contracting, performance appraisals and reviews to ensure efficiency in service delivery across all county departments; induction of new recruits; enhancement of records management system; modernization of the IPPD system; enhance enforcement services and response to fire; recruitment and training of enforcement officers; establishment of a training college for enforcement officers and fire fighters; establishment of fire hydrants within the municipality; conduct paramilitary training for administrators; training on alternative dispute resolution for administrators; enhancement of administration services to the grassroots level; construction of ward administrators' offices and renovation of sub county administrators' offices; operationalization of ICT resource centres; development of ICT and HR roadmap (strategy framework) and improvement of LAN connectivity.</p>

Department's resource usage	Recurrent – Kshs. 1,121,189,128 ; Development – Kshs. 45,000,000 ; Total – Kshs. 1,166,189,128
LANDS AND PHYSICAL PLANNING	
Department's Mandate	To ensure sustainable management of land in the county; Improvement of livelihood to the people through efficient administration equitable access and sustainable management of land
Key Achievements of the Department	Preparation of the framework for the delivering the County Spatial plan, acquisition of survey and planning equipment, planning of clusters, organizing land clinics, enhanced sensitization on land matters through electronic and print media, identifying and mapping of key urban areas and settlements, and training of technical staff on the utilization of the GIS lab and tools and on proper record keeping.
Department's Medium Term Plans	The completion of the County Spatial Plan and the Hola Municipality Spatial Plan, surveying and titling of urban centres, preparation of local physical development plans for urban areas and cluster villages, community land registration and formalization of existing settlements; survey and titling of land across the county.
Department's Resource Usage	Recurrent – Kshs. 34,446,563 ; Development – Kshs. 30,000,000 ; Total – Kshs. 64,446,563
HOLA MUNICIPALITY	
Department's mandate	Promotion, regulation and provision of refuse collection and solid waste management services. Provision of water and sanitation services and infrastructure in areas within the municipality and construction and maintenance of roads and associated infrastructure within the municipality.
Key departmental achievements	Establishing the Hola Municipality Board with a Municipal Manager in place, formation of municipal boundaries and completion of storm water drainage Phase I.
Department's medium term plans	Printing, advertising and information supply services (city clocks, billboards), storm water drainage Phase II, installation and maintenance of street lights, fencing of dumping sites, establishment of recreational parks and establishment of a sewage treatment plant.

Department's resource usage	Recurrent – Kshs. 35,790,000 ; Development – Kshs.0 ; Total – Kshs. 35,790,000
-----------------------------	---

Conclusion

79. The County Government of Tana River intends to continue in the consolidation of devolution gains to sustain socio-economic development. In order to achieve this, in FY 2022/23, the County shall invest across the following strategic priorities: decisive investment in the water and health sectors; support recovery from the impact of COVID-19; completion of ongoing projects including by settling pending bills; and monitoring and evaluation.

80. However, to achieve these strategic objectives there is need for rigorous mobilization of county own source revenue (OSR), avoidance wasteful expenditure and living within our means through implementation of austerity measures as well as adhering to National Treasury directives on distribution and disbursement of conditional grants.