KILIFI
SOCIAL SECTOR BUDGET BRIEF
(2013-14 to 2015-16)

Highlights

- In 2015-2016, county spent Ksh 8.4 billion, out of which 50 per cent was spent on social sector.
- The county had an overall budget absorption rate of 70 per cent in 2015-16 and the study observed that delay in staff recruitment, lack of institutional structure and procedures to facilitate work flows have been key factors behind the underutilization of budget.
- The health sector of the county has seen a steady increase in budget allocation and absorption in the last three years. However, the county may look into increasing the share of development budget under health sector which was only 30 per cent in 2015-16 (just meeting the PFM Act 2012). Also, specific budget lines for nutrition and HIV are desired to enable transparency and tracking of such interventions.
- The education sector of the county had an upward trend in terms of budget allocation however the execution dropped drastically in 2015-2016 with an absorption rate of only 58 per cent. The drop was primarily due to lack of coordination between contractors and consumer department, delay in tendering and awarding of tenders. The county should take proper measures to combat such issues in coming financial years.
- In the water sector of the county, the allocation as well as expenditure improved significantly, which resulted in improvement of select water indicators like water coverage.
KILIFI

Introduction

*Kilifi* is one of the six counties in the coast region. It covers an area of 12,609.7 km². It is divided into 7 sub-counties and 35 wards. The estimated population is 1.3 million, consisting of 49 per cent male and 51 per cent female.

The county’s development plan aims at investing in agricultural transformation and food security; investing in social sectors (health, education as well as social safety net); scaling up investments in key infrastructure development; creating conducive business environment; deepening devolution into lower units of governance for better service delivery and rural development.

Overall budget/expenditure

In 2013-14, the first year of devolution, the county budget estimate was Ksh 6.7 billion (*Figure 1*). The county scaled up the budget to Ksh 9.8 billion in 2014-2015, representing a phenomenal increase by 46 per cent. In 2015-16, the budget further increased to Ksh 11.5 billion, recording a 17 per cent growth. In 2015-16, 49 per cent was allocated to the social sector out of the overall budget of the county.

In terms of actual expenditure, county spent Ksh 8.4 billion in 2015-16 which was 50 per cent more than actual expenditure in 2013-14. In 2015-16, 50 per cent of the total expenditure was spent on social sector.

Despite increased budget provisions, execution of the same during the reporting period had not been satisfactory. In 2013-14, the overall budget absorption was 60 per cent mainly due to low absorption of the development budget *viz.* 21 per cent. The key factors that affected execution of development budget were delay in staff recruitment, and lack of institutional structure and procedures to facilitate work flows. The county took several steps to address these issues (e.g. recruitment and training of chief officers and technical staff; establishment of an M&E committee to enhance transparency and accountability in the implementation of development projects; embracing use of IFMIS to process financial transactions) and as a result the absorption rate of development

---

### Administrative and demographic profile

<table>
<thead>
<tr>
<th>Area (km²)</th>
<th>12,609.7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of sub-counties</td>
<td>7</td>
</tr>
<tr>
<td>Number of wards</td>
<td>35</td>
</tr>
<tr>
<td>Total population (2015)</td>
<td>1,336,590</td>
</tr>
<tr>
<td>Male</td>
<td>644,999</td>
</tr>
<tr>
<td>Female</td>
<td>691,590</td>
</tr>
<tr>
<td>Under 5 years</td>
<td>231,473</td>
</tr>
<tr>
<td>Primary school age (6-13)</td>
<td>316,782</td>
</tr>
<tr>
<td>Secondary school age (14-17)</td>
<td>123,896</td>
</tr>
</tbody>
</table>

*Source: CIDP (2013-17)*

---

Figure 1: Overall Budget and Expenditure (Ksh million)

![Graph showing overall budget and expenditure from 2013-14 to 2015-16](image)

Figure 2: County Budget absorption rates (%)

![Graph showing budget absorption rates from 2013-14 to 2015-16](image)
budget improved significantly to 65 per cent. However, in 2015-16 there was a marginal drop in development absorption rate to 63 per cent mainly due to underperformance of revenue collection; delay in submission of financial reports to COB, which is contrary to Section 166 of the PFM act 2012; and Non-establishment of county budget economic forum (see ADP, 2015-16).

Health

Kilifi has 252 health facilities consisting of 218 Level II hospitals 23 Level III hospitals, 11 Level IV hospitals albeit these facilities are not evenly and equitably distributed within the county. The doctor/patient ratio is 1:42,625, clinical officer/patient ratio is 1:30,194 while the nurse/patient ratio is 1:3,396 in the county (See ADP, 2017-18, p 41).

The county’s health indicators reflect a mixed trend. During 2013-15, the coverage of 4+ ANC visits improved significantly from 38 per cent to 54 per cent, while skilled delivery increased from 57 per cent to 79 per cent. Also, during the same period, exclusive breastfeeding marginally increased from 48.6 to 49 per cent, while immunization coverage dropped from 112 per cent to 81 per cent. The county is also faced with nutrition challenge. It has 39 per cent stunted and 17 per cent underweight children, much higher than the national average of 26 per cent and 11 per cent respectively. While HIV adult prevalence at 4.4 per cent is quite below the national average of 6 per cent, the county still runs high risk of HIV due to several factors such as early sexual debut (55 per cent of individuals have sexual intercourse before the age of 15 years), and a low utilisation of health facilities (28 per cent) for delivery of the HIV-positive pregnant women (see Kenya HIV County Profiles, 2014).

In 2013-14, the county government allocated Ksh 1.4 billion for health sector, representing 20 per cent of its total budget (Figure 3). In the following year, the budget increased to 2.2 billion increasing the health share to 22 per cent and then increased to 2.7 billion in 2015-16.

In terms of composition, development budget had a small share of 17 per cent in the total health budget in 2013-14, which steadily


---

1 Health facility data: [http://kmhfl.health.go.ke/#/home](http://kmhfl.health.go.ke/#/home)
increased to 28 per cent in 2014-15 and 30 per cent in 2015-16 (Figure 4).

The actual health spending by the county was Ksh 1.9 billion in 2014-15 and Ksh 2.3 billion in 2015-16 representing budget absorption rates of 87 per cent and 84 per cent respectively (Figure 5).

The utilisation of the development budget had been much lower than the recurrent budget. The absorption of development budget has been consistent at around 60 per cent for both the years 2014-15 and 2015-16.

However, in line with its development plans, the county had implemented a number of projects such as upgrading and equipping the health facilities; construction of new maternity centre/wing; procurement of ambulance and mobile clinics; and supply of drugs/non-pharmaceutical materials to the health facilities (see ADP, 2017-18 p 40).

General administration accounted for the largest share in the total health outlay. In 2015-16, the allocation for general administration was 45 per cent while the share of construction of buildings and infrastructure, operation and maintenance and purchase of equipments were 25 per cent, 26 per cent and 4 per cent respectively (Figure 6). Under purchase of equipment, the health department procured equipments and furniture for operationalization of completed stalled health facilities (see ADP 2017-18, p 45).

In the absence of specific budget lines, this brief could not track the county’s own budget and expenditure for nutrition and HIV/AIDS. Keeping in mind the current nutrition status of the county based on select indicators, it is significant that separate budget allocation should be made in this regard by the county government to address the issue.
Under devolution, the county is responsible for providing pre-primary education as well as for training and skills development of the youth. At present, the county runs 799 early childhood development and education (ECDE) centres and 13 youth polytechnics. In addition, there are 492 primary and 120 secondary schools that are funded and managed by the national government. The number of teachers currently providing basic education are 8,928, consisting of 2,079 ECDE, 5,671 primary, and 1,278 secondary school teachers (See ADP, 2017-18).

Access to basic education in the county for pre-primary and primary education stands better than the status at national level. As of 2015, gross enrolment ratio (GER) was 89.7 per cent at pre-primary level, 105.2 per cent at primary level compared to the national average of 76.5 per cent and 103.6 per cent respectively. However, GER was 41.3 per cent at secondary level against the national average of 63.3 per cent. Similarly, with net enrolment ratio (NER) of 89.2 per cent at pre-primary level and 88.8 per cent at primary level, the county has recorded much better indicators vis-à-vis the national average of 74.6 per cent and 88.4 per cent respectively. However, the secondary level NER in the county is quite low at 22.6 per cent in comparison to the national NER at 47.8. This possibly reflects tendency of the students to move outside their home counties for secondary education (see Basic Education Booklet 2015).

At present, gender parity index (GPI) values of the county at ECDE, primary, and secondary education level stand at 1.05, 1.05, and 0.82 respectively. The values indicate that girls enrolment is more than the boys in pre primary, and primary, while at secondary education boys enrolment is slightly higher than girls. In fact, the pre-primary and primary GPIs are much higher than the national average of 0.96, which indicates a better-than-national performance in providing equitable access to primary level education.

The county’s budget allocation for education was 11 per cent in 2013-14 and 14 per cent each in 2014-15 and 2015-16 respectively (Figure 7). In absolute terms, the budget steadily scaled up from Ksh 713 million in 2013-14 to Ksh 1.36 billion in 2014-15 and then to Ksh 1.79 billion in 2015-16. Over the same period, the recurrent and development budget ratio shifted from 44:56 in 2013-14 to 28:72 in 2015-16 creating more fiscal space for development activities (Figure 8).
Between 2014-15 and 2015-16, overall absorption of education budget dropped from 81 per cent to 58 per cent (Figure 9). During the same period, execution of recurrent budget decreased from 92 per cent to 59 per cent in 2015-16.

Though development budget increased over the years, actual spending remained far from satisfactory. The absorption rates decreased from 69 per cent in 2014-15 to 58 per cent in 2015-16. Slow project implementation by contractors due to minimal co-ordination between the consumer department, finance department and the works department on the tendering and awarding of tenders, lack of a policy on the management of the scholarship fund, and insufficient number of staff in the devolved units of the department are some of the factors that adversely affected budget execution (see Annual Development Plan, 2017-18, p 24).

Notwithstanding low utilisation of development budget, the county had implemented several projects e.g.; supply of teaching and learning materials; construction of model ECD centres; and providing all the polytechnics tools and equipment; disbursement of scholarships (see Annual Development Plan, 2017-18).

In 2015-16, the composition of the budget comprised of various components, amongst which, the construction of buildings and infrastructure received the highest budget share. Other major budget components were disbursement of scholarships and general administration and planning having 22 per cent and 23 per cent share respectively (Figure 10).
Water Services

*Kilifi* has various sources of water including permanent rivers such as Sabaki, shallow wells, protected springs, unprotected springs, water pans, dams and boreholes dams for human and livestock consumption. The County has 1205 shallow wells, 135 water pans, 90 small earth dams and 50 boreholes. The proportion of households with access to piped water is 48.1 per cent while proportion of households with access to potable water is 63.3 per cent. The average distance to the nearest water point is 5 km (see CIDP, p 35).

Between 2013 and 2016, the water coverage in county government increased from 53 per cent to 61 per cent. The non-revenue water also increased from 35 per cent to 36 per cent in the same period and the county population within service areas of WSPs also increased from 79 per cent in 2013 to 84 per cent in 2016.

The county’s budget allocation for water services was 5 per cent in 2014-15 and 8 per cent in 2015-16. In absolute terms, the budget was steadily increased from Ksh 243 million in 2013-14 to Ksh 471 million in 2014-15 and then increased further to Ksh 957 million in 2015-16.

Over the same period, the recurrent and development budget ratio shifted from 21:79 in 2013-14 to 18:82 in 2015-16 increasing the fiscal space for development activities (see Figure 12).
Between 2014-15 and 2015-16, overall the absorption of water services budget increased from 64 per cent in 2014-15 to 78 per cent in 2015-16 (see Figure 13). Also, the high utilisation of the water development budget could be substantiated by implementation of several projects such as construction of dams, drilling of boreholes across the county since 2013, and construction and rehabilitation of water storage tanks (see the Power of Devolution, 2016 p 18).

Construction of civil works and rehabilitation accounted for 67 per cent out of the total water services budget. The other two major components were operating and maintenance and salaries with 19 per cent and 8 per cent of the total water services budget (Figure 14).
Technical Note

- The social sector analysis is based on the financial data of the following departments, viz. (a) health services; (b) education, youth affairs and social development; (c) environment and natural resources (for water services).
- In 2014-15, budget and expenditure data entry have been sourced from Annual IFMIS report. For 2015-16, due to lack of disaggregated budget and expenditure data, only total values from CBIRR 2015-16 have been used for this study.
- Programme Based Budget (PBB) for the county was not available for any of the financial years.
- Social services was a part of the education department so, no county specific data on social protection/ social services was available as a clear component in the budget.
- Due to absence of specific budget lines, the study could not track and comment on allocation/ expenditure for HIV, sanitation and nutrition related activities.