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

Highlights

- The Kitui County spent Ksh 7.9 billion in 2015-2016, out of which 41 per cent was spent on social sector.
- The underutilization of the budget especially the development budget during the reporting period, needs to be reviewed and improved by the county government.
- In the health sector, the development budget share was low at 31 per cent in 2015-2016 and its execution was also not satisfactory. This needs immediate attention of the county government.
- The county has severe nutrition issues and it is suggested to include specific programmatic budget lines under health sector to enable proper tracking and prioritisation of such investments.
- From 2013-2014 to 2015-2016, the budget allocation in the education sector has gradually increased. The sector is also supported by governor office for infrastructure development and provision of educational benefits.
- The county has allocated budget for gender, culture & social services and children services. The study suggests to include further bifurcated programmatic budget to enable transparency.
- The study observes that budget for water has increased over the years. However, low water coverage and high NRW is a major concern and county needs to modify the budget to address these issues.
Introduction

Kitui is the sixth largest county in Kenya, covering an area of 30,496.4 km$^2$. The county is divided into 8 sub-counties, 40 wards, and 247 villages. The estimated population of the county is little over one million, consisting of 48 per cent male and 52 per cent female in 2015. The child population represents 41 per cent of the total population.

The county’s development plan (Kitui Vision for Economic and Social Transformation) aims at creating conducive business environment; fostering broad based economic growth; infrastructure development; investing in social sectors (health, education, social safety nets); and deepening devolution into lower units of governance for better service delivery and rural development. The interventions in the social sector *inter alia* include food security, access to quality health care services, access to safe drinking water, empowering youth and women, and putting in place a transformative education system.

Overall budget/expenditure

In 2013-14, the first year of devolution, the county budget estimate was Ksh 6.5 billion (*Figure 1*). The county scaled up the budget to Ksh 10.1 billion in 2015-16, recording a 55 per cent growth in comparison to 2013-2014. In 2015-2016, 44 per cent of the total allocation was allocated to the social sector.

In terms of actual expenditure, county spent Ksh 7.9 billion in 2015-2016, thereby increasing the expenses by 132 per cent in comparison to 2013-2014. Out of the total expenses, 41 per cent was spent on social sector in 2015-2016.

However the performance of county, in regard to absorption of the budget during the reporting period had not been satisfactory. In 2013-14, the overall budget absorption was 53 per cent mainly due to low absorption of the development budget viz. 18 per cent. The key factors that affected execution of development budget were delay in staff recruitment for procurement of development works, and lack of institutional structure and procedures to facilitate works flow. The county took several steps to address these issues (e.g. recruitment and training of chief officers and technical staff; finalization of procurement documentation and procedures) and as a result absorption of development budget significantly improved to 58 per cent in 2014-
In 2015-2016, the development as well as overall absorption rate further improved to 70 per cent and 78 per cent respectively.

In 2013-14, salary/wage bills amounted to Ksh 1.8 billion, representing 52 per cent of the total county expenditure. The figure went up to Ksh 2.2 billion in 2014-15 mainly due to recruitment of new staff and annual increments in salaries, but the share in overall expenditure declined to 32 per cent from 52 per cent in 2013-2014. In 2015-2016 the salary/wage bills increased further to Ksh 2.6 billion, with overall share in total expenditure being at par with 2014-2015 at 32 per cent.

Health Services

Kitui has 316 health facilities consisting of 52 basic primary health care facility, 248 Dispensaries and clinic-out patient only facilities, 13 primary health care services and 3 secondary care hospitals. About 95 per cent of the people in Kitwi Central, Kitui West and Mwingi West can access health facilities within a distance of 5 km from their homes. In contrast, the proportions of residents having access within 5 km in Mwingi North, Mwingi Central, Kitui Rural, Kitui East and Kitwi South are 85.5 per cent, 84.8 per cent, 71.4 per cent, 62.7 per cent, and 51.2 per cent respectively. (For further details see County Government of Kitui: 3-Years Scorecard, 2016)

The county’s performance in terms of health indicators reflect a declining trend. Between 2013 and 2015, the MCH service coverage indicators like 4+ ANC visits, exclusive breastfeeding, and immunization coverage dropped. The county is also faced with nutrition challenge. It has 46 per cent stunted and 20 per cent underweight children, much higher than the national average of 26 per cent and 11 per cent respectively. While HIV adult prevalence at 4.3 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 very low utilisation of health facilities (17 per cent) for delivery of the HIV-positive pregnant women (see Kenya HIV County Profiles, 2014).

In 2013-14, the county government allocated Ksh 1.1 billion for health sector, representing 17 per cent of its total budget (Figure 3). In 2015-2016, the budget was almost doubled to Ksh 2.3 billion, increasing the health share to 23 per cent.

In terms of composition, development budget had a meagre share of 10 per cent in the total health budget in 2013-14, which steadily rose to 31 per cent in 2015-16 (Figure 4).

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1 Health facility data: [http://kmhf.k health.go.ke/#/home](http://kmhf.health.go.ke/#/home)
The actual health spending by the county were Ksh 905 million in 2013-14 which increased to Ksh 1.5 billion in 2015-16 representing declining budget absorption rates from 82 per cent in 2013-2014 to 66 per cent in 2015-2016 (Figure 5).

The execution of recurrent budget in the first two years was around 90 per cent, but absorption drastically declined to 79 per cent in 2015-16 (Figure 5). Salaries and wages represented bulk of the recurrent expenditure (82 per cent, 61 per cent, and 79 per cent in 2013-14, 2014-15, and 2015-16 respectively). The salary and wage bill will further go up if the existing health facilities are adequately staffed (at present, the facilities are understaffed) and the community health workers are engaged in each village as per the current plan.

The utilization of the development budget had been much lower than the recurrent budget. In 2013-14, absorption of development budget was 25 per cent, which rose slightly to 38 per cent in 2014-15 and 39 per cent in 2015-16. Among others, lengthy process of project documentation, procurement delays, and inadequate project supervision had been responsible for low budget absorption (see Annual Development Plan, 2017-18, p 43).

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. There is also a plan to upgrade Kitui and Mwingi hospitals to Level-V facilities. (For further details see County Government of Kitui: 3-Years Scorecard, 2016)

Medical services accounted for the largest share in the total health outlay (Figure 6). In 2015-16, allocation for medical services was 70 per cent, while the shares of public health and disease control & rural health services were 16 per cent and 4 per cent respectively.

In the absence of specific budget lines, this brief could not track the county’s own budget and expenditure for nutrition and HIV/AIDS. However, UNICEF and USAID provide funding support for nutrition. USAID also supports HIV programme.
Education

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 1,520 early childhood development and education (ECDE) centres and 39 youth polytechnics. In addition, there are 1,365 primary and 405 secondary schools that are funded and managed by the national government. The number of teachers currently providing basic education is 14,403, consisting of 2,790 ECDE, 9,082 primary, and 2,531 secondary school teachers.

Access to basic education in the county stands better than the status at national level. As of 2015, gross enrolment ratio (GER) at pre-primary, primary, and secondary level was better than the national average. Similarly, with net enrolment ratio (NER) of 82.4 per cent at pre-primary level and 98.7 per cent at primary level, the county has recorded much better progress vis-à-vis the national average. However, the secondary level NER in the county is quite low at 48 per cent. This possibly reflects tendency of the students to move outside their home counties for secondary education (see Basic Education Booklet 2014).

At present, gender parity index (GPI) values of the county at ECDE, primary, and secondary education level stand at 0.96, 0.97, and 1.03 respectively. The values indicate that boys and girls have nearly equal access to pre-primary and primary education, while at the secondary level girls enrolment is more than the boys. In fact, the secondary GPI is much higher than the national average of 0.89, which indicates a better-than-national performance in providing equitable access to secondary level education.

The county’s budget allocation for education was 7 per cent, 5 per cent and 6 per cent in 2013-14, 2014-15, and 2015-16 respectively (Figure 7). In absolute terms, the budget was steadily scaled up from Ksh 460 million in 2013-14 to Ksh 597 million in 2015-16. Over the same period, the recurrent and development budget ratio shifted from 79:21 in 2013-14 to 60:40 in 2015-16 creating more fiscal space for developmental activities (Figure 8).

**Select education indicators (2015)**

<table>
<thead>
<tr>
<th></th>
<th>Kitui</th>
<th>Kenya</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-primary education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross enrolment ratio (%)</td>
<td>83.3</td>
<td>76.5</td>
</tr>
<tr>
<td>Net enrolment ratio (%)</td>
<td>82.4</td>
<td>74.6</td>
</tr>
<tr>
<td>Gender parity index (value)</td>
<td>0.96</td>
<td>0.96</td>
</tr>
<tr>
<td>Pupil teacher ratio* (no.)</td>
<td>32.2</td>
<td>31.9</td>
</tr>
<tr>
<td><strong>Primary education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross enrolment ratio (%)</td>
<td>119.1</td>
<td>103.6</td>
</tr>
<tr>
<td>Net enrolment ratio (%)</td>
<td>98.7</td>
<td>88.4</td>
</tr>
<tr>
<td>Gender parity index (value)</td>
<td>0.97</td>
<td>0.96</td>
</tr>
<tr>
<td>Pupil teacher ratio* (no.)</td>
<td>29.5</td>
<td>35.2</td>
</tr>
<tr>
<td><strong>Secondary education (%)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross enrolment ratio (%)</td>
<td>71.4</td>
<td>63.3</td>
</tr>
<tr>
<td>Net enrolment ratio (%)</td>
<td>48.0</td>
<td>47.8</td>
</tr>
<tr>
<td>Gender parity index (value)</td>
<td>1.03</td>
<td>0.89</td>
</tr>
<tr>
<td>Pupil teacher ratio* (no.)</td>
<td>19.6</td>
<td>20.7</td>
</tr>
</tbody>
</table>

* The figures pertain to public schools
Source: State Department of Education, Nairobi
Between 2013-14 and 2015-16, overall absorption of education budget increased from 57 per cent to 89 per cent and then dipped to 82 per cent (Figure 9). During the same period, execution of recurrent budget improved from 62 per cent to 98 per cent but slightly declined to 96 per cent in 2015-16. The recurrent budget was mostly spent on salaries and wages (92 per cent, 88 per cent, and 95 per cent in 2013-14, 2014-15, and 2015-16 respectively).

Though developmental budget increased over the years, actual spending remained far from satisfactory. The absorption rates increased from 37 per cent in 2013-14 to 76 per cent in 2014-15 but then declined to 60 per cent in 2015-16. Slow project implementation by contractors, lack of transport facilities for supervision, and underfunding for construction of ECDE centres (especially in remote areas) and youth polytechnics are some of the factors that adversely affected budget execution (see Annual Development Plan, 2017-18, p 27).

Notwithstanding low utilisation of development budget, the county had implemented several projects e.g. construction of ECDE classrooms and supply of desks; supply of teaching and learning materials; construction of workshops for training and skills enhancement of youth; and providing all the polytechnics tools and equipment. During the reporting period, the county also recruited 2,156 ECDE teachers, paid them monthly stipends, and conducted mentorship programme (For further details see county’s 3-years scorecard, 2016, op. cit.).

Among the programmes, basic education had received highest budget allocation. In 2015-16, budget allocations for basic education and youth polytechnics were 88 per cent and 8 per cent respectively (Figure 10).

Apart from education ministry, the Office of the Governor also allocates fund for infrastructure development in different sectors including the education sector under a programme called Community Level Infrastructure Development Programme (CLIDP). During the last 3 years, many projects were implemented in education sector under CLIDP such as construction or renovation of ECDE classrooms; supply of mattresses to ECDE centres; construction of classrooms or workshops for the polytechnics; and construction/renovation works for primary and secondary schools. The governor’s office had to spend around Ksh 383 million over the
last three years (For further details see county’s 3-years scorecard, 2016, op. cit.).

Under its pro-poor programme, the Office of the Governor also provided scholarships and other educational benefits to needy students studying in secondary schools, polytechnics, and universities. The amount spent in this regard was Ksh 38 million, Ksh 116 million, and Ksh 92 million during 2013-14, 2014-15, and 2015-16 respectively.

Social services

The department of culture, youth, sports and social services under county government has the mandate to promote social and economic empowerment and self-esteem for all including youth, women and marginalized groups.

Among the programmes, the department allocated around 24 per cent of its total budget to children services and 23 per cent to gender, culture & social services in 2015-2016. However due to lack of specific budget lines under social and children services like social protection programmes, the study could not track such initiatives of the county and suggests to include detailed programme wise budget in coming years.

Water services

The main sources of water in Kitui County include 150 dams, 153 water pans/ earth dams, 683 shallow wells, 264 boreholes, 33 protected springs, 2 permanent rivers namely Tana River and Athi River and 5 unprotected springs. The distances to the water points are long in the county due to unreliable water sources, inadequate and unreliable rainfall and limited surface water sources. The average distance to the nearest water source is 7 km (For further details see Kitui CIDP p 38).

Between 2013 and 2016, the county population within service areas of WSPs has increased significantly from 57 per cent to 96 per cent. However, the performance of county declined in terms of the water coverage and share of non-revenue water. As per latest report, the NRW stands at 62 per cent which is much higher than the Kenya water sector benchmark of 25 per cent.

The county’s budget allocation for water was 8 per cent, 7 per cent and 8 per cent in 2013-2014, 2014-2015 and 2015-2016 respectively2. In absolute terms, the budget drastically increased over last three years from Ksh 488 million in 2013-2014 to Ksh 700 million in 2014-2015 (recording an increase of 43 per cent), which further increased to Ksh 826 million in 2015-2016 by 18 per cent.

2 For the water sector analysis, the study has used 9 months data of agriculture, water and irrigation department for FY 2015-2016 as the bifurcated data for water sub-sector was available, the same was not available for full year.
(Figure 11). Over the same period, the recurrent and development budget ratio shifted from 19:81 in 2013-2014 to 11:89 in 2015-2016 increasing the fiscal space for development activities (Figure 12).

Figure 13: Water expenditure and absorption rates

<table>
<thead>
<tr>
<th>Trends in expenditure (Ksh million)</th>
<th>Absorption rates (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014 62</td>
<td>2013-2014 64</td>
</tr>
<tr>
<td>2015-2016 362</td>
<td>2015-2016 61</td>
</tr>
</tbody>
</table>

In 2013-2014 and 2015-2016, overall absorption of water budget increased from 13 per cent to 74 per cent and then dipped to 58 per cent (annualised) (Figure 13). During the same period, execution of recurrent budget decreased from 64 per cent to 59 per cent and 61 per cent (annualised) in 2015-2016, however execution of development budget improved to 76 per cent in 2014-2015. However given the trend in execution till third quarter of 2015-2016, the development absorption would drop at 58 per cent in 2015-2016. The salary component in the total expenditure was around 48 per cent in 2015-2016. The salary component in the total expenditure was around 48 per cent in 2013-2014 which decreased to 7 per cent in 2014-2015. With the three quarter spends of Ksh 28 million (out of total expenditure of Ksh 362 million), salaries/wages bills during 2015-2016 would be around last year’s level. This reflects that major portion of expenditure is directly going to development projects.

Notwithstanding low utilisation of development budget the county had implemented several projects e.g. construction of 40 earth dams, drilling and equipping of 13 boreholes, and construction of 123 km of water pipelines (For further details see county’s 3-years scorecard, 2016, op. cit.).

Despite significant progress in water sector, the county is faced with challenges. Some of the challenges include inadequate technical staff to provide effective technical and supervisory services, inadequate transport facilities for projects implementation, supervision and monitoring, frequent breakdowns of water facilities, inadequate funds for high investment water projects.
**Technical Note:**

- The social sector analysis is based on the financial data of the four departments, *viz.* (a) health & sanitation; (b) basic education, training & skills development; (c) culture, youth, sports and social services; and (d) agriculture, water & irrigation.


- For the water sector analysis, the study has used 9 months data of agriculture, water and irrigation department for FY 2015-2016 as the bifurcated data for water sub-sector was available. The same was not available for full year.

- The programme wise budget bifurcation has been taken from detailed budget collected for 9 months budget/expenditure from COB Kitui during the field mission. Programme Based Budget (PBB) for the county was not available.

- Due to absence of specific budget lines, the study could not track and comment on allocation/expenditure for HIV, sanitation and nutrition related activities.