EFFECT OF BUDGET EXECUTION ON THE PERFORMANCE OF COUNTIES IN KENYA

BY

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DECLARATION

I Dickson Makamu Ocharo declare that this is my original work and has not been submitted for presentation and examination for any award of degree in the University or any other University.

Signature ---------------------------------- Date -----------------------------------

Dickson Makamu Ocharo

D63/70776/2014

This research project has been submitted for examination with my approval as the University of Nairobi supervisor.

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DEDICATION

Special appreciation and dedication go to my family who have been there to support me and encourage while undertaking this project. Their advice, encouragement has kept me going my academic journey. Thank so much for your ever-ending support.

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ACRONYMS/ABBREVIATIONS

ANOVA……………………. Analysis of Variance

ACBIRR…………………… Annual County Budget Implementation Review Report

CG…………………………. County Government

CAR…………………………Commission on Revenue Allocation

CGA…………………………County Government Act

COK…………………………Constitution of Kenya

COB…………………………Controller of Budget

GCP…………………………. Gross County Product

IFMIS………………………. Integrated Financial Management Information System

IPSAS………………………. International Public Sector Accounting Standards

KNBS………………………...Kenya National Bureau of Statistics

OCOB………………………. Office of Controller of Budget

OAR…………………………Overall Absorption Rate

PE……………………………Personal Emolument

PFM……………………….….Public Finance Management Act

R……………………………. Revenue

ROA…………………………Returns on Assets

SPSS…………………………Statistical Packages for Social Scientists

ABSTRACT

Budget execution refers to the process during which public institution (MDAs and Counties) implement their activities and programmers for which parliament or county assemblies have made budget appropriations. Budgets are strategic tools used in the planning of the effective delivery by any organization. In that budgets is the financial explanation of work, services or products to be produced or services to be delivered by the organization. In the same vein, county government have plans and programmed to be implemented, and these programs are quantified in the form of budgets. The budgeting processes and executions of programs in a county are determined by county leadership, thereby differing from county to county. A poorly formulated budget is often impossible to execute, while a poor budget execution strategy renders even the best of budgets impotent.

County Governments are devolved units which are geographical and envisioned by the constitution of Kenya, 2010. Devolution created the county government which led to sharing of the national cake by the counties this, therefore, means that the resources that were only controlled by the centralized national government executive and legislature is distributed to the forty-seven county executives and assemblies**.**

County performance is the output of expenditure undertaken during the year is from several division which is considered by the county government to the national government policies. The county performance measure will be measured against the gross county product which is a measure of the economic**.** This research aims to identify the extent to which budget execution affects the performance of county governments in Kenya. The research identified four variable that is gross county product, local revenue, absorption rate and personal emolument and how they affect the gross county product for each county.

The research used secondary date from the office of the controller of budget and Kenya national bureau of statistics and analysis was done using SSPS and the findings were interpreted. The findings imply that the independent variable affects the dependent variable and therefore if they are increases then the gross county product for each county will improve for all the years under research. This shows that there is a need of improving the revenue collected by the county government and these can be done through various means which the county knows best, the county should also ensure that the money allocated to them have been absorbed properly before the end of the financial years need for extensive training as well as empowerment of the budget practitioners to be able to create congruence between budgets, budgeting processes and project implementation.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

In this development, era budgets is acknowledged as an important instrument for management and economic growth. An organization can have an excellent budget and proper management and governance systems and fail to realize its objective. The guidelines to which a budget is prepared and executed are crucial and eventually affect the outcome of the project and programs (Abdallah, 2018). Budget execution has had many challenges over the years, for instance, when the county government started there were programs and projects which had been started by the previous municipal, county and town councils these programs had been allocated funds, however, these projects have been neglected and ignored to date. They remain incomplete due to unclear policy framework set by the counties.

Sila (2016), in his study, inferred that budgeting is important to the success of expenditure. The study also noted that the absence of planning between the authoritative structure and structure of execution reporting necessities, the esteem and value of execution data undermines the spending use. The study encourages presumed that conveyance of administrations reasonably and unbiasedly, absence of concentrate on accomplishing comes about and overseeing execution influence viable spending usage. Additionally, the study established that lack of presenting information on budget for analyzation, investigation or scrutiny by other independent parties or agencies affected the executions of budgets. The study finally concluded that there was no proper training of individuals or staff who are involved in budgeting and the functioning of the budget which will lead to poor execution of the budgets.

Kathungu (2016), concluded that budgets affect the county government performance. He also noted that the county budgeting and how it’s utilized are essential for the performance of County

Governments. The researcher concludes that a high capital structure is a necessity influencing factors for high county performance. Further, the study concludes the audit queries or outcomes raised by the relevant agencies in the National Government aid the description of county performance.

Mathenge, Shavulimo & Kiama (2017) discovered that budget execution encountered myriads of problems which are not limited to inadequate funds, weakness in the institutional, unsatisfactory methods of budget allocation and executing projects that have not been planned for and not included in the overall budget. In their study they discovered that there should be participation in the budget preparation by the whole team in the budget process, this reflects ownership of the budget documents, they also noted that most public entities lacked the sensitization of the budgets and therefore this brings discrepancies and diversity of opinions when executing. The staffs involved in budgeting should be highly competent however it noted from their study that the concerns of weak systems and capacities in staff competence were inadequate as much as policy and legal frameworks has enhanced. Infrastructure played a very important role therefore in the absence of it then the use of internet connection makes it difficult to connect to IFMIS platform which affects the execution of the budgets. The availability of funds, policies in place, government financial regulation and budgetary monitoring are some of the factors that affect the execution of budgets though their degree differ.

The progress in Budget execution has never been systematic because of bureaucratic processes that are involved. These slow down the performance of the budgets and thus a lot of funds are left unutilized and returned to the National Treasury for the subsequent financial year. These means that progress and execution of programs and projects by the government that may need funding may be spent without following the required process in the law. Various laws, policies, and regulations guided the planning and budgeting of the Counties which include the Constitution of Kenya (Cok, 2010) and The Public Finance Management (PFM) Act (2012). Budget execution has challenges, it is obvious that no single year has had 100% absorption rate or 95% significance, many factors such as limited capacity of the County Assembly to supervise budget execution, inadequate technical staff, System budget classification weakness and disbursements delays this consequently hampers execution of continuing projects and affect their payment thus causing huge debt towards the end of the financial year. It is because of these shortcomings that my study investigates the effect of budget execution on the performance of County Governments.

1.1.1 Budget Execution

Budget is used as a planning tool by management to allocate the limited resources to the functions of an organization (Kathungu, 2016). According to Carreira (2019), Budget execution is whereby financial resources are provided to an agency directly and used towards achieving the intended purpose and objective for which they were approved, the active phase of budget cycle is the budget execution. Budget execution is the phase whereby all the planned ideas are put into reality and the funds are applied to the planned activities, ((kirira, 2007), 2007).

The reflection of a business plan identifies the amount, quantity and timing of resources required are reflected in the budget execution (Shields & Young, 1993). Budget execution forms a basis through which results can be compared, this is where the actual results with the budgeted results are compared to form a basis through which corrective measures are put in place if necessary (Sharma, 2012). The behavior and decision of employees can be highly influenced by the budgets which can lead to translating the objectives of a business to a budget that will also provide a yardstick through which performance can be assessed Hancock (2009).

Budget execution covers activities of monitoring, budget adjustments (reallocation /supplementary adjustment) and in-year reporting. Execution for budget encounters challenges since a good chunk of the funds allocated is not utilized as it ought to have been therefore this leads to funds being refunded to the national treasury. The procurement process is constrained by the legal framework and thus slows down the processes this therefore, means that the execution of the projects is delayed and limits the timelines set. Government financial approval time takes one financial year from 1st July to 30th June which is a twelve-month duration.

1.1.2 Performance of Counties

The output of expenditure undertaken during the year is from several division which is considered by the county government to the national government policies (Rotich & Ngahu, 2015). The county progress reduction can be observed from different perspectives of measurable items equated into ratios for comprehensive understanding. The study will anchor the county performance measure against the gross county product which is a measure of the economic growth of the counties conducted by Kenya national bureau of statistics, other measures of county performance include foreign direct investment, human capital development, infrastructural increment, the audit queries from the office of Auditor General and levels of monitoring and evaluation reports with the comparison of Cost-benefit Analysis of executed projects (Mwikali & Gichiga , 2016).

Kathungu (2016), the study concluded that budget execution affects the performance of the county's governments. The county budgeting and utilization are essential for the county government performance as observed from the findings. The researcher concludes that a high capital structure is a necessity influencing factors for high county performance. Further, the study concludes that audit queries or outcome raised by the relevant agencies in the national government aid the description of county performance. In this case, increased audit report outcome and queries on the management on finances is an implication of poor county performance in both administration and structural or execution conduct as the allocated funds entirely do not end to facilitate the respective budget item opposite is to be true.

1.1.3 Budget Execution and Performance of Counties

Horngren (2005) explained that budget is an aspect that is quantified and it suggests action that is premeditated for some time in the future, it aids the coordination and implementation of the plan. He has similarly stated that budget does cover all areas of a company be it financial or non-financial parts of a plan and is the blueprint of a company over some time. How a budget is executed can largely influence the performance of an organization (Larson, 1999). The Annual County Budget Implementation Review Report (ACBIRR) analyses revenue performance against annual target and expenditure against approved annual budget estimates of the Counties and gives the status of budget executions. The analysis of the Expenditure confirmed by the actual expenses reported by county treasuries in line with Public Finance Management (PFM) Act, 2012 Section 166 and 168 and equated to the approved budgets, which largely separates into recurring and development expenditure.

When a budget is used effectively and a lot of control and accountability mechanism are put in place it influences the performance of management better by known results, forecasting the budget and are related to the analysis of financial performance trends (MelekEker, 2007). According to Adongo (2013), when a budget is well planned and executed professionally it will help improve and promote the social-economic well-being and the growth of economics and its people. A poorly formulated budget is often impossible to execute, while a poor budget execution strategy renders even the best of budgets impotent.

Muiruri (2018), in his findings he noted that Integrated Financial Management Information System (IFMIS) enhances transparency within the financial system, efficiency of the financial processes, improved accountability of public finances and enhanced easy access to financial information whenever required.

Further, Kiyemba (2018) analyzed the Determinants of financial accountability in Local Governments in Uganda the Results revealed that; following approved medium-term and annual budgets, disclosure of financial information in accordance to IPSASs, adoption of local government framework, engagement of the community in planning, budgeting and execution, strong internal controls and frequent preparation of financial reports were the dominant determinants of financial accountability at Wakiso District Local Government.

1.1.4 County Governments in Kenya

County Governments are devolved units which are geographical and envisioned by the constitution of Kenya, 2010. These units were established from the 1992 district of Kenya and thus creating the forty-seven-county government. The provision and powers of county governments is provided under Articles 191 and 192 of the Fourth Schedule of the Constitution of Kenya (CoK) and the County Governments Act of 2012. Devolution created the county government which led to sharing of the national cake by the counties this, therefore, means that the resources that were only controlled by the centralized national government executive and legislature is distributed to the forty-seven county executives and assemblies**.**

The County Treasury supervises and is responsible for budget execution which includes giving of guidelines to all county departments. They also looked for capital for funding and coordinate budget execution and budgetary requirements and confirming appropriate administration, control, and budgetary resources. Therefore, counties are agents of County Treasury (the principal) since they are vital to yield a level of public productivity - as well as the quality of this output.

Article 228 (5) empowers the COB to authorize withdrawals from Public Funds once satisfied that the said withdrawal is within the law. The COB can only approve withdrawals from the County Revenue Fund for budgeted activities. COB prepares quarterly reports on budget execution and submits to the Parliament. These reports track budget execution by county governments and make recommendations to address challenges/issues affecting budget execution.

1.2 Research Problem

The organization have taken a step further in the effort of improving budget execution in the counties, this has led also to having higher discipline in the financial management within the organization. However, several firms do not achieve their budgets execution targets, this brings in challenges in a firm and leads to the poor performance of the firm.

Counties have continued to face a myriad of problems despite tough governmental and institutional frameworks. Public financing in counties in the last six years are not in tandem with the principles of public finance. Counties have not been at their best in terms of their performance most of them have reported mediocre performance on budget execution and implementation of their intended plans, many times the counties have failed to execute all their intended programs and projects in a particular financial year (Mungai & Nasieku, 2015). In concern, the performance of the devolved units has not been impressive over devolution period. Thus, it has been perceived by frequent incidences of fraud, poor accountability, and wastage of public resources. Poor execution of budgets has led to funds being returned to the national basket at the national treasury due to lack of utilizing the funds in their rightfully planned and budgeted programs this has led to poor spending capacity by the counties and therefore hampering the performance of the counties. Besides, it should remain clear that the economic status of most counties is not the reflection of the total development budget spent. Therefore, a need to confirm the effect of budget execution on the performance of counties in Kenya.

Globally, several researches have been conducted and different studies conducted to show how budgeting can affect performance. Kochik (2012) in his study he revealed that decrease role in an organization will ideally lead to the provision of enough budgetary support led to an increase in organizational commitment which enhanced departmental performance.

In Kenya, Abdallah (2018) concluded that the budgeting process and the financial relationship has a significant reasonable positive (+) relationship. Kathungu (2016) came up with the conclusion that in joint budget utilization including the budgeted county expenditure to the budgeted county revenues, actual county expenditures to actual county revenues and county resources to the county poverty index influences financial performance of the counties positively. Further, it was concluded that the internal audit functions and county financial functions had a significant relationship in determining the county budget execution Mungai & Nasieku (2015).

The citizens have entrusted the responsibility of the budgets to the National government and the county government. Both levels of governments should account for whatever they had budgeted and implemented to the citizens. Accountability, in this case, means that all the policies and plans that the government has should replicate the priorities and needs of the people, the government also should to clarify to it citizens how they expended their money which was budgeted and what policies they have come up with to safeguard the interest of its people and provide results. This, in essence, will keep the government on toes and the citizens will reap the benefit from a well-implemented budget. At the end of the day accountability to the citizens will translate to noticeable development which will benefit the citizens through good infrastructures, good health facilities and hospitals' good business environment which will lead to improved disposable income among the citizens. Therefore, Citizens must hold their government to account.

The studies conducted from both global and local, there is no specific study done on the effect of budget execution and performance of county government in Kenya. Most research have focused on the preparation of a budget, budgetary process and its importance hence the research gap. Thus, this research will pursue to answer the question; what effect do budget execution has on the performance of counties in Kenya?

1.3 Research Objective

This research aims to establish the effect of budget execution on the performance of counties in Kenya.

1.4 Value of Study

This research will help in evaluating the performance and productivity of Counties from one budget period to another. It will also help identify the results achieved by each County in terms of their performance and how they execute their budgets in Kenya. This study outcome will be crucial in realizing the importance of well-managed budgets and will help in evaluating their outputs and to realize the importance of properly managed budgets and in providing technical support that the county government needs. In formulating or revising policies at the management level this study will enhance efficiency and effective budgeting execution to improve performance therefore, the study will help in decision-makers in the county. The parliament and county government will also be able to formulate legislation to assist an effective and efficient budget execution in the county. It will also be of benefits to the academic world since it's expected to add existing knowledge and understanding of the effect of budget execution on performance.

It will also help establish why revenue, expenditure and the high personal emolument affects county performance why they do not achieve their budget execution target despite the huge budgets allocated to them. Budgeting and execution of budgets are two sides of the same coin.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter aims to present a review of the literature which is associated with the budget execution and performance as presented by different authors, researchers, and analysts. This chapter deals with theoretical literature review, empirical literature review, a summary of the literature reviewed, research gaps and the conceptual framework of the study.

2.2 Theoretical Review

This section looks at the different studies and theories that will inform the effect of budget execution and County performance. This project is guided by Agency theory, the Theory of Capital Adequacy and Theory of Budgeting.

2.2.1 Agency Theory

Jensen and Meckling (1976), a principal employs a negotiator to accomplish a task on his or her behalf. This theory demonstrates that the individual given the responsibility of representing others should at all-time carry out the duties to represent and value maximize the availed resources for those who have given them the mandate to do so. The agents equally are supposed to carry out their duties for the corporate decision and ensure their interests are in line with the principal interest at all times. The agency relationship conflict comes about when the agent does not act on behalf of the principal but instead acts on their behalf for personal gains, this will come into show at the point when the agent comes up with decisions which will benefit him/her more than the principal and not bearing in mind the interest and welfare of the principal's welfares. Agents can make a one-sided decision that serves their interests which are observable and detrimental to the principal. This exists where the agents are privy to information that the principal is not aware this brings about lop-sided information where one side that is the agent has more information than the other side which is the principal. While the national government is allocating funds in the form of the exchequer to the county government they should allocate enough resources to meet the budget of the county to enhance their performance. If less is allocated the counties will not be able to fund some of the projects or programs.

The mandate of the County governments is to collect revenue on behalf of the citizens, the county assembly members are elected by the citizens of that county and therefore act as agents of development in the counties and therefore the citizens have a right to know how the revenue collected was budgeted for and how it was used in the execution of projects and programs. This is the principal-agent relationship. The county assembly members have been given the mandate to ensure that the budget is executed well and in line with the provision provided in the County acts and therefore they have the oversight authority of the budgets and this safeguards the principal interests in the usage of the funds provided by the principal. Effective and efficient budgeting processes and execution of the budgets at the county will lead to improved performance of the county.

2.2.2 Theory on Capital Adequacy

Anderson (1996), reasons that it is out of the budgeting process that management formulate strategies on how to execute the budget before the budget activities begin. While funds are important in budgeting its adequacy and availability is one of the factors that contribute to the effectiveness of a budget. In Economics, resources are limited and scarce since there are many needs which need to be fulfilled, it’s impossible to achieve all sets of goals/plans. Dunk 2001 argues that the adequacy of financial resources and planning by setting aside a budget is the most crucial thing in financing a project. Obadan (2008), argues the government should not allocate resources to new projects yet the ongoing projects have not been completed. Lack of adequate funding face the counties and due to lack of prioritizing of projects the counties end up utilizing the funds on the recurrent expenditure rather than the stipulated in the PFM (2012). Therefore, it is only prudent that adequate resources are provided to the counties for the continuing projects to be completed in time to add value for money on the established projects before starting of new projects.

Late disbursement or failure to disburse funds to the counties from the National treasury has led the office of the controller of budget to blame the national treasury and also fault the counties for not completing these projects. Kiringai and West (2002) in their research noted that the use of forwarding budgets has not been reliable due to inconsistency in revenue forecasts since actual revenue short of the budgeted one.

2.2.3 Theory of Budgeting

The theory of budgeting was developed by Shields and Young (1993), the variance that exists between organization objectives, performance and dynamic part to the overall concept of effective budgetary performance is what he refers to as a Budget. The behaviors and decision of the employees is influenced by the budget this, therefore, provides a yardstick against which to assess performance. Hancock (2009), having budget allows an organization to have a standardized way of how to deal with activities and at the same time, the results can be used for comparison of the actual and the real standards set. Those involved in budget planning and execution should be forward-looking rather than looking back (Hope & Fraser, 2013). It gives them visibility of what has been expended by the counties either development funds or recurrent funds, the higher development programs executed by the counties the higher the absorption rate, therefore, a positive correlation of the variables indicating good performance rate of the county.

2.3 Determinants of County Performance

Determinants of county performance include; Budget Execution, Revenue, Absorption rate by counties and Personal Emolument.

2.3.1 Budget Execution

Budget execution is the process whereby the proposals which are made in the planned budget are undertaken and Implemented effectively by management. Execution also ensures that resources are allocated to the project's proposals and are efficiently utilized. A low absorption rate of the budgets leads to planned funds not utilized and so returned to the National treasury. A poorly executed budget will lead to low GCP on the economic growth of the county.

2.3.2 Local Revenue Collection

The national government funds the county government through the appropriation which is drawn from the consolidated funds and outsourced revenue from the local activities within the county. These activities that the county relies on have not been sufficient for the counties to meet the huge responsibilities the counties have as most county governments do not meet their revenue targets due to loopholes in collection systems which has increased over time. Office of the Controller of budget confirmed that poor performance of local revenue collections is one of the factors affecting the budget execution by the counties (COB, 2015). Counties tend to over project local revenue in spite of the overwhelming evidence of their incapacity to raise the revenue and although they appear balanced the gapping financial holes renders the budget deficit. At the Centre of the decline in own sources' contribution to total revenue are many counties missing their own-source revenue targets every year.

Kathungu (2016) concluded that High deficits in the county budget imply low performance as the available revenues will be reallocated or spread to maximize the itemization of the budgets and consider the priorities giving a negative performance to sections of the budget lines. Besides, the allocations and reallocations with relevant statutory procedures and consideration of the budget priorities signify the performance of the counties in terms of finance and general development progresses. Effective consideration of the deficit existence and priority choice does provide a clear view of the influence the county performance is to face. Besides, the revenue collection in the county governments has an important role in contributing to the success of budgets passed by the County Assemblies. From the study findings, high revenue collections are a necessity for low deficit existence in the budgets with poor collections aiding the high levels of deficit thus need for more financing for the execution of the itemized budget lines. The study concludes that county revenue collections influence the county performance whereby the high the revenue collections the high the indication of county performance and prudence in financial management. Subsequently, capital structure composition in the counties determines the county's performance on how the budget itemization is allocated funding. This is evident with some counties lacking essential capital compositions whereby reallocations in the budgets have to be set to create the structure existence. The lack of natural resources and high human resource composition provide a capital composition with the latter providing inflow of service delivery and former with nil composition. If revenue collected does not match the revenue targeted by the county the execution of budget will be hampered and so the county will be forced either to reduce on the either the recurrent of the development budget of the county and this will affect the execution of the budget and the service delivery.

2.3.3 Absorption rate by Counties

The activities that a Government is involved in will delicately affect the lives of the people within that country. It’s the extent of utilization of the budget in each financial year. In a centralized government, expenditure decisions do not happen without a clear direction of how the spending should be, the decisions are mainly made by the central government, although the execution of programs may be delegated to other administrative units. In devolve units, expenditure decisions are made independently by county governments through the various laws which have been enacted to help them in expensing whatever they have for the sake of its people different levels of government.

The performance of counties can be measured by the Absorption rate of the annual budget. The absorption rate is the ratio of the actual expenditure out of the budgeted expenditure (the target). This ratio will determine the efficiency and general performance of the counties as regards utilization of the intended funds. The higher the absorption rate the higher the performance and vice versa. This is manifested in the perennial delay in the release of funds. Undue delays in financial disbursements slow down the execution of projects, programs, and policies, lack of exchequer release which is experience whenever there is liquidity in the country such as long elections, long holidays, debt repayment and also when the demand is high towards the end of the financial year. Budget is normally made available in quarterly amounts at the beginning of each quarterly and this means that even if one wants to fast track purchase of goods and services the process is dependent on the availability of the budget.

2.3.4 Personal Emolument

Counties started in 2013 with the priority of creating structures, including the county public service, to implement devolved functions such as agricultural services, healthcare, and pre-primary education, making a steep growth in wage bills almost inevitable. However, over time the high cost of paying county government officials' salaries and allowances is negating the gains of devolution. An in-depth data analysis of the county spending data on the latest report by the

Controller of Budget (COB) shows some counties have shot through the salaries spending ceilings. In their reports, the Office of the controller of budget (OCOB) notes that continued increase in wage bill is untenable and will decrease expenditure on development activities. In compliance with the Regulation of the Public Finance Management (County Governments) Regulations, 2015 county governments should ensure that expenditure on personnel emolument is contained at a sustainable level. A lower wage bill-to-GCP ratio does not necessarily mean the county public service is more efficient it could mean county public servants in crucial fields are underpaid and unable to press for better conditions of service. What the county governments need to guard against more are loss of funds through a bloated workforce and dubious payments.

2.4 Empirical Studies

Ondanso (2013) his studies, found out that by using return on assets (ROA) then they discovered that there was a very strong or positive effect of the budget on the financial performance. Those affected by the budget should also participate in the execution of the budgets in case of the citizens whereby they should be involved at all level of execution of these budgets to enhance its implementation. Prudence of these budgets should be supported by good use of the available funds by management and enough or adequate information or sensitization should be given to both employees and the public should be made aware of the prudence in management of funds usage the best financial management practices should be used to enhance the oversight role

Mungai and Nasieku (2016) their study indicated that there should be an internal audit function in the county and that the fiscal responsibility were important in ascertaining how the budgets were executed. The two researchers recommend that there was need to improve the internal audit functions by facilitating the effective operations of the audit functions at the government level and to enhance the anti-corruption laws to improve the ethics and integrity of the citizens

Isaboke and Kwasira (2016) in their study concluded that financial ability is important in defining the performance of the county government budgets. Further, the study proved that the financial ability is very important in determining the performance of the counties, this shows that there was a strong positive significant association amongst financial ability and the financial performance of the county government. Therefore, the counties should enhance their financial ability through the budgeting process and their various ways of revenue collection and it will directly affect the performance of the county government. The moment the counties will sort their financial ability then they will be in position to manage and pay its creditors, suppliers and also be able to deliver services to its citizens and this enhances performance.

Mutungi (2017) concluded and recommended that the county assembly should pass legislation so that they can improve the county government performance, the study noted that these laws and legislation and budget plans should be executed in line with the financial ability to avoid financial performance challenges and increase the public service delivery to bring satisfaction to the county.

Sila (2016) in his study found that an absence of arrangement between the authoritative structure and structure of execution reporting prerequisites, the esteem and helpfulness of execution data undermines the spending usage. The concentrate likewise presumed that an absence of arrangement between the authoritative structure and structure of execution reporting necessities, the esteem and value of execution data undermines the spending usage. The study suggested that the Public part in Kenya ought to embrace a legitimate observing and survey of the planning procedure. The spending arranging procedure ought to incorporate every one of the divisions. The monetary allowance ought to be imparted to all offices and all staff. This will ease usage of the monetary allowance consequently diminishing spending change.

Kihia (2016) his study recommends that the officers who work to streamline the budget should be given a good and conducive working environment so that they can perform effectively they also advice that attractive salaries should be paid for employees who work as budget officers this can be done by reviewing the salary and allowances this will enhance or improve their performance. Job security of budget officers is also important factor to consider since this will influence their performance. The study further recommends that budget officers should manage their personal issues which might affect their performance.

Zweni (2017) findings implied that there was a need training for the staffs who are involved in the developing of the budget this will lead to greater empowerment and the required skills for budgeting. Through this training similarity between budgeting process project execution, budgets and envisage delivery to the citizens will be created.

Oluwalope and Ojediran (2017) their study discovered individuals should participate in the planned activities in an organization since this will lead to a positive impact on the performance of budgets, this will support positive impacts of a budget. An organization should at all time come up with activities that will involve the participation of others in a budget and above all, they should also look and consider other processes involved in budgeting and explore these processes for enhancing performance.

2.5 Conceptual Framework

A conceptual framework shows the relationship between the dependent variable and the independent variable. In this study, the dependent variable is the performance of Counties in Kenya while the independent variable will be Revenue, absorption rate and personal emolument. A conceptual framework has been illustrated to show the relationship between the dependent variable and the independent variables.

Figure 2.1:Conceptual framework

Independent Variable **Dependent Variable**

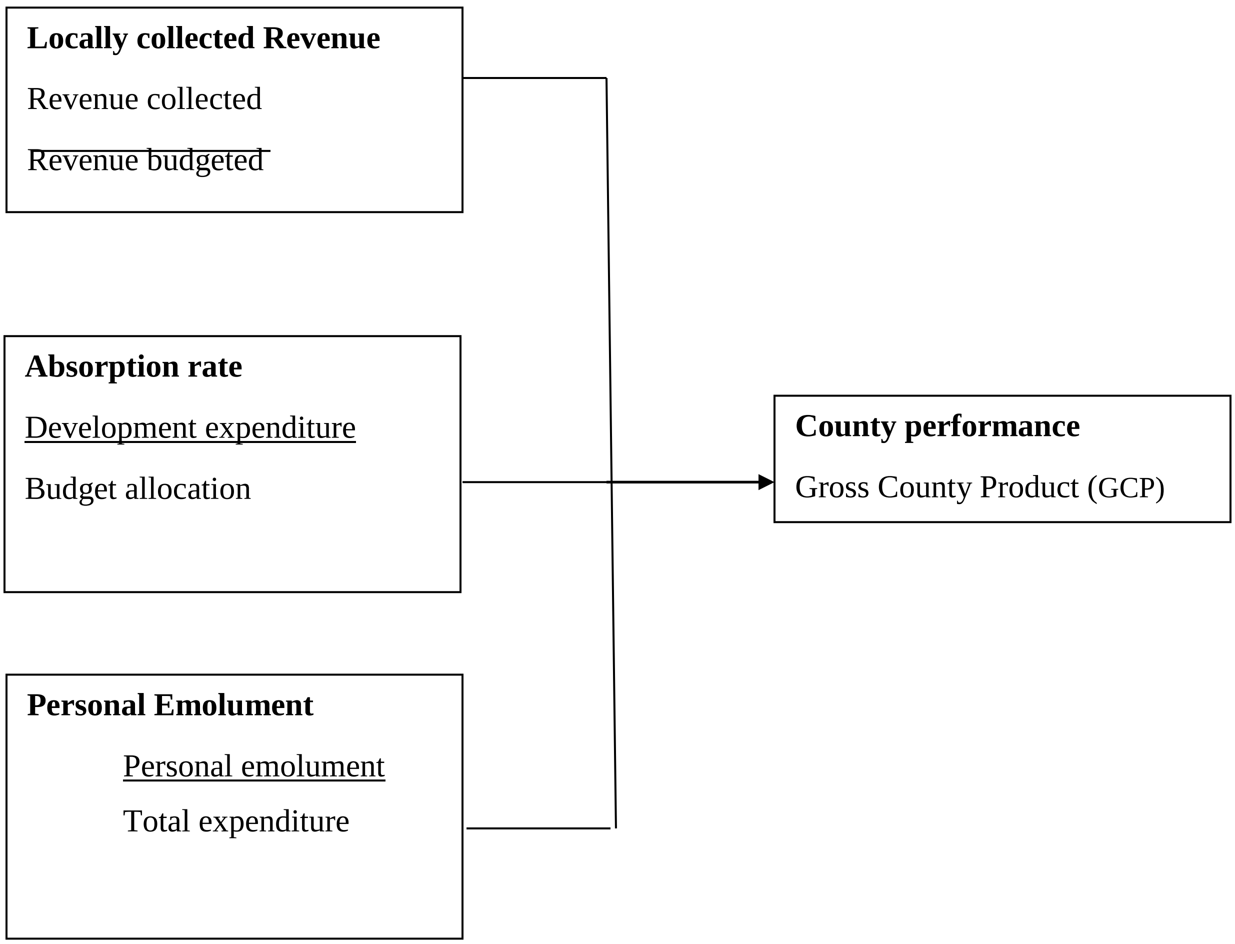


Figure 1: Conceptual Framework

Source: **(Researcher 2019)**

The dependent variable (county performance) on the conceptual framework is represented by the gross county product which will be as a result of proper budget execution.

2.6 Summary of the Literature Review and Research Gap

Previous Empirical studies have produced mixed outcomes regarding the influence of budget execution on performance. Nafisatu (2018) study revealed that a low positive correlation between budgetary controls and sales turnover exists. Locally, Muiruri (2018) revealed that IFMIS enhances transparency within the financial system. Mwangi, K & K (2018) conducted a study on the integrated financial management information systems (IFMIS), from his study it indicted that implementation of IFMIS system did not lead to the satisfaction of customers. However, from the reviewed literature, no study has been conducted on the effect of budget execution on the performance of counties in Kenya, hence the research gap. Given these alterations, it is essential to survey the validity of the philosophies and theories with specific reference to the relation between county performance and Budget execution. This is the knowledge gap which this study will seek to bridge by analyzing the budget execution with a focus to compare the level of performance of counties in Kenya.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Research methodology to be applied will be entailed in this section. The study refers to the process by which the research is carried out. In summary, the chapter details the study design, population of interest, sample design, data collection as wells as the analysis of data.

3.2 Research Design

According to Burns & Grove (2003), a research design is a layout to make sure that the study conducted is under constrained factors to improve findings' validity and minimize interference. The study will be descriptive and will utilize secondary data primary data which Burns and Grove (2003), saw as providing a natural picture of a situation. The research will involve analysis of budget estimates, approved budget and actual expenditure from the Office of Controller of Budget (OCOB) for the Counties in Kenya. The goal is to collect and analyze data for an opinion on the effect of budget execution on the performance of counties in Kenya.

3.3 Population

When a field is in inquiry, all items involve there constitute a population. Cooper and Schindler (2008) consider a target group as an overall set of individuals that a researcher will seek information that will be representative of the population at large. The research used secondary data collected from reports of the forty-seven counties by the office of Controller of Budget (COB), and Kenya National Bureau of Statistics (KNBS). The target population will be the forty-seven (47) counties in Kenya census.

3.4 Data Collection

This project used secondary data on the County performance which was drawn from the forty-seven annual county government budget implementation review reports(ACBIRR) prepared by the office of the controller of budget for the last five Government financial years 2013/2014,2014/2015, 2015/2016,2016/2017 and 2017/2018 data relating to budget vs expenditure. The data set includes the local revenue collected from the counties for each financial year, the absorption rates and the wage bill of the counties for years under research

3.5 Diagnostic Test

To test the data accuracy the researcher used linear test, normality test and auto-correlation test to test for diagnostic test as a statistical measure to test data accuracy.

3.5.1 Linearity Test

To predict the linear relationship of data by plotting independent variables against the dependent (x) variable the research used Linearity test on the graph. A positive (+) relationship indicated that the graph will move upwards that is left to right. Downwards shift of graph indicate negative (-ve) relationship showing no relationship between the variables.

3.5.2 Normality Test

Normal distribution of data and hypothesis of data 95% significant test was tested by the Normality test. The Statistical t-test assisted in determining the normal distribution of data. The researcher similarly used the statistical mean in analyzing the data.

3.5.3 Autocorrelation Test

The variance between variables for a specific period was tested by the Autocorrelation test. Statistic Autocorrelation test will be carried out between the dependent and independent variables of the population mean in establishing the autocorrelation of the study. The researcher also used F-statistic testing of data.

3.6 Data Analysis

A completed secondary data was collected, edited, coded and entered into SPSS version 24, for actual analysis. Data analyses comprised of numeric measures and were done using descriptive statistics. Descriptive analysis was used where means, standard deviations and percentages were calculated and frequency tables, charts and graphs were used to represent the data. To determine the effect of budget execution on the performance of counties in Kenya, regression analysis was carried out. A regression model is shown below;

$Y = \alpha_o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$

Whereby

Y = Counties Performance (Measured by Gross county product-(GCP)

α_o=y intercept of the regression equation, a dependent variable which is a constant in the event where all other variables considered as independent equals to zero.

X_1=Revenue collected will be measured by the percentage of revenue collected against the total approved budget of the county.

X_2= Absorption rate (%) by the county will be measured by Actual Expenditure to approved Budget Allocation to the counties.

X_3 = Personal emolument measured by the amount of personal emolument to total expenditure incurred for each county.

ε = error term

Values. $P \leq 0.05$, and $P > 0.05$ are therefore interpreted for statistical significance, and insignificance respectively.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This section provides data results on establishing the outcome of budget execution on performance of counties in Kenya section 4.2 covers the descriptive statistics which summarizes the data collected, in section 4.3 presents the regression analysis results, section 4.4 presents the discussion of the research findings in relation to existing literature and section 4.5 covers the summary of the chapter.

4.2 Summary Statistics

This section 4.2 presents the research finding on the descriptive statistic of the data collected.

Table 4.1:Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
OAR2013	47	0.480	1.687	0.864	0.168	283.867
OAR2014	47	0.517	1.052	0.797	0.095	90.656
OAR2015	47	0.770	1.543	0.953	0.104	108.607
OAR2016	47	0.675	1.600	0.948	0.123	151.577
OAR2017	47	0.485	0.855	0.737	0.084	70.422
GCP2013	47	0.002	0.211	0.019	0.031	9.350
GCP2014	47	0.001	0.207	0.019	0.030	9.136
GCP2015	47	0.002	0.196	0.019	0.029	8.174
GCP2016	47	0.002	0.192	0.019	0.028	7.977
GCP2017	47	0.002	0.182	0.020	0.027	7.315
PE2013	47	0.067	0.564	0.293	0.104	109.028
PE2014	47	0.193	0.858	0.501	0.147	216.665
PE2015	47	0.179	0.613	0.402	0.100	99.768
PE2016	47	0.161	0.601	0.413	0.093	86.894
PE2017	47	0.186	0.376	0.307	0.041	16.541
R2013	47	0.000	0.120	0.045	0.028	8.022
R2014	47	0.187	2.048	0.718	0.329	1080.208
R2015	47	0.212	0.993	0.638	0.206	423.300
R2016	47	0.210	1.035	0.584	0.182	331.118
R2017	47	0.268	1.888	0.692	0.260	678.312

The table above represents the descriptive statistics with a sample size of 47 counties. All the data is in percentage. OAR is the overall absorption rate, GCP is the gross County product, PE is personal Emolument and R is County local revenue. Data for each of the variable is from 2013-2014 to 2017-2018 financial year. Data was collected from KNBS and COB.

From table 1. The year 2015 and 2016 had the highest levels of budget absorption across the counties at a mean rate of 95.3% and 94.8% respectively. The year 2017 reported the least absorption rate at 73.7% slightly lower than 79.7% reported in 2014. A high standard deviation of 16.8 % was reported on the mean absorption rate for the year 2013 indicating a significant variation between counties in terms of budget absorption. This was followed by the year 2016 and 2015 respectively with the year 2017 recording the lowest variance in budget absorption across counties at 8.4%.

Gross county product across the counties was almost standard from the year 2013 to 2016 at 1.9% of the national gross product. Only 2017 recorded 2% of Gross national product a significant growth from the previous years.

Personal emoluments increased from 29.3% in 2013 to 50.1% in 2014 and decreased to 41.3%, 40.2% and 30.7% of the total expenditure in year in 2016.2015 and 2017 respectively. Only 2016 and 2017 recorded a significantly lower standard deviation of 4.1% and 9.3% respectively as compared to 14.7%, 10.4 and 10.0% reported in 2014, 2013 and 2015 respectively. The highest county had a PE of 85.8% in 2014 against a low of 6.8% reported in 2013. In 2013 the PE was low because the counties had been formed and therefore the did not have a huge number of staff however as the years moved the counties identified various activities which means that they needed to increase on the number of staff within the county and therefore the county continued to employ more staff until almost all counties had a bloated staff as seen from the increase in the PE.

The year 2014 reported the highest revenue collected at an average of 71.8% against the targeted amount, followed by the year 2017 at 69.2% and 63.8% in 2015. 2013 had the lowest revenue collection at an average of 4.5% this was because the counties had just started and they had not identified all the revenue sources for them to improve on their targets and therefore the revenue was low at the beginning of the counties and improved from 2013.

Table 4.1:Aggregate Descriptive Statistics.

	Mean	Std. Deviation	N
GCP	1.93440%	2.888552%	47
OAR	85.9933%	8.38345%	47
PE	38.3211%	8.37890%	47
R	53.5450%	12.42765%	47

Table 2 reports aggregated mean and standard deviation per each of the variable across the years under study. The sample size is 47.

From table 2 above revenue collected is highly dispersed across the 47 counties at 12.42% standard deviation, indicating different levels of the counties to meet budget revenue targets.

4.3 Regression Analysis Results

Before a linear regression is carried, several tests were run to test that the data can be analyzed using a multiple linear regression. Stock and Watson (2015) indicates that for a linear regression analysis to be carried out, the data need to be continuous, with few or no significant outliers and the error terms need to be at least normally distributed. Besides, a linear relationship should exist between the dependent variable and all the independent variables. Homoscedasticity and independence of all the observations need to hold as well.

4.4 Testing Data Assumptions

To further establish the level of interactions between the independent variables and the correlation between the dependent and each of the independent variables, a Pearson correlation was run as demonstrated in table 3.

Table 4.2:Pearson Correlation Matrix

		GCP	OAR	PE	R
Pearson Correlation	GCP	1	.731	.415	.395
			(.000)	(.002)	(.026)
	OAR		1	.028	-.012
				(.028)	(.468)
	PE			1	-.059
					(.346)
	R				1

Table 3: Represents the Pearson correlation matrix between the dependent variable and independent variables and between the independent variables themselves. The single-tailed level at 95% significance is indicated in the brackets.

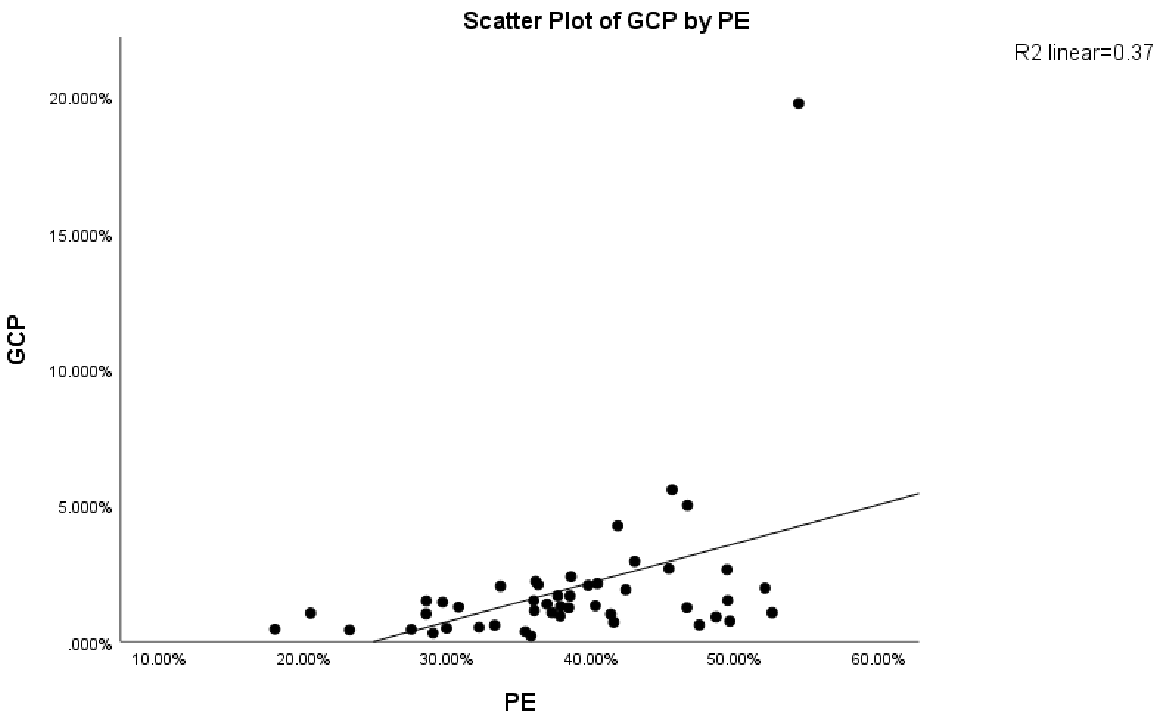
Pearson correlation indicates a significant positive correlation between GCP (dependent variable) and the three independent variables at 95% significant levels. According to Mallery (2016), the Pearson correlation is assessed based on the strength of r as denoted below:

The three independent variables fail to significantly correlate hence no indication of significant multicollinearity between them. However, the dependent variable and the independent variable are correlated affirming that the dependent variable is explained by the independent variables.

4.4.1 Linearity Test:

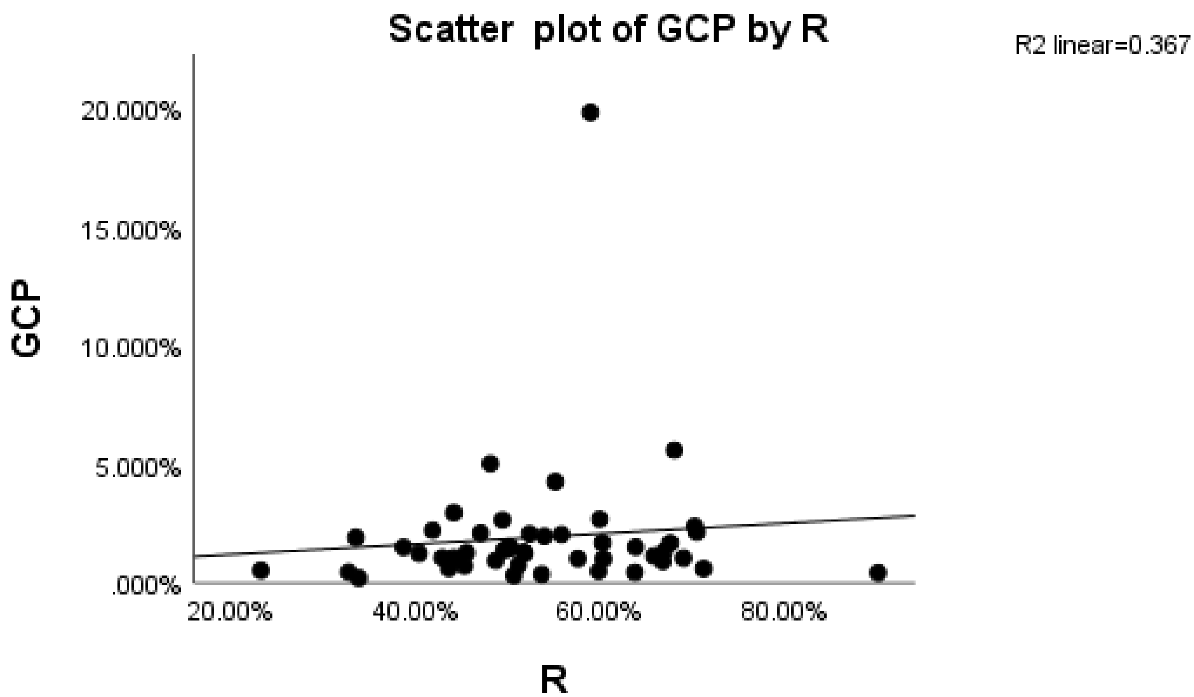
A linearity test is carried out between the dependent variable (GCP)and each of the independent variables individually and collectively buy running scatter plots and visually examining them for linear dependence.

Figure 4.2:Scatter Graph showing the Relationship between GCP and PE



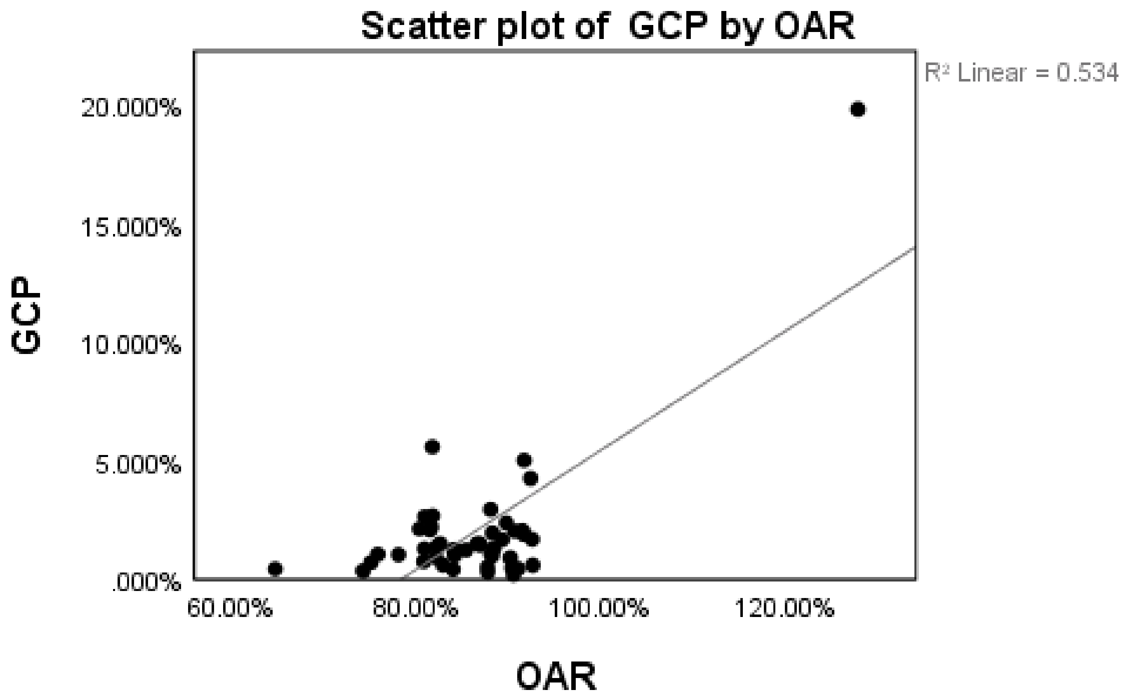
The relationship depicted in the scatter plots suggest a significant linear relationship between the dependent variable (GCP) With PE, 37% From the scatter plots there are no significant outliers.

Figure 4.3:Scatter Graph showing the Relationship between GCP and R



The relationship depicted in the scatter plots suggest a significant linear relationship between the dependent variable (GCP) With R exhibiting an R^2 of 36.7%. From the scatter plots there are no significant outliers.

Figure 4.4:Scatter Graph showing the Relationship between the GCP and OAR

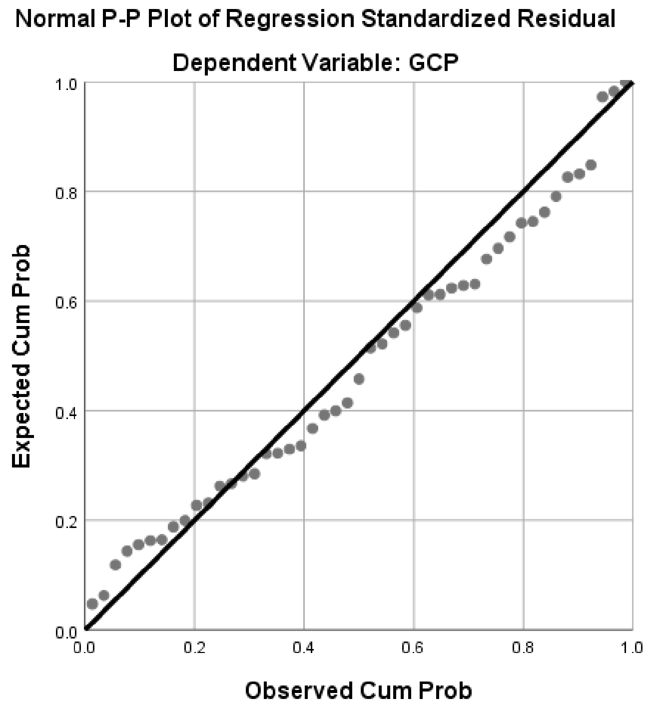


The relationship depicted in the scatter plots suggest a significant linear relationship between the dependent variable (GCP) and Overall absorption rate (OAR) OAR exhibiting an R^2 53.4%. From the scatter plots there are no significant outliers.

4.4.2 Normality Test:

Normality tests establish if the residuals or the error terms are significantly normal. To check for this a visual inspection of a normal plot (Q-Q plot) of standardized residuals is run and described below.

Figure 4.5:Scatter Graph showing Normal P-P of regression standardized residual



From the graph above it can be observed that the error terms are within the normal line with minimal insignificant deviations. Hence the error terms are normally distributed. To further establish the independence of the observations, Durbin Watson test, denoted as d is carried out and established as: 1.739. It can be assessed that Durbin Watson test statistics lies within the critical values of $1.5<d<2.5$ indicating that there is no first-order out-correlation (Stock and Watson 2015).

Table 4.3:Coefficients and Significance levels

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	-22.359	3.192		-7.004	.000
	OAR	.230	.035	.666	6.594	.000
	PE	.081	.035	.235	2.320	.003
	R	.077	.023	.189	2.198	.006

Table 5 shows the estimated coefficient and significance levels. Standardized coefficients are beta estimates out of standardizing the predictor variables to a variance of 1. Hence, standardized coefficients indicate the change in standard deviations of the dependent variable per every change in the standard deviation of the independent variable. Since the units are all in percentage, unstandardized coefficients will be used to answer to question of which of the three independent variables (OAR, PE, and R) have a bigger effect on the GCP. From table 5 OAR depicts a coefficient of 0.23, Personal emoluments 0.081 and Revenue 0.077 respectively. The estimated model is:

GCP (Y) =-22.359 +.23(Overall Absorption Rate) +0.081(Personal Emoluments) + 0.077(Revenue).

A constant of -22.359 is reported by running the multiple regression analysis of GCP against the three variables of OAR, PE and R. indicating that if all the 3 variables are held constant, gross county product will be negative 22.359.

4.4.3 Test of Coefficient significance

To test the significance of each of the independent variables in explaining the gross county product, a t-test was used. The test aims to establish the results based on the following hypothesis:

H0: $\beta i=0$ (B are coefficient estimates)

H1: $\beta i \neq 0$

At alpha=5% the test aims to establish if the p-value is less than 0.05. From table 5, all the variables have t-value greater than 2.0 and p-value less than 5%. In this case, the coefficients are significantly different from zero. The usefulness of the model is established using analysis of variance and the coefficient of determination R2.

Table 4.4:Multiple Regression Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.772[a]	.596	.567	1.899678%

The value of R=0.772 indicates significantly good quality of prediction of the dependent variable (GCP) based on the three variables. The coefficient of determination R2 indicates the proportion of variance in the dependent variable (GCP) that is explained by the independent variable. A value of .596 indicates that independent variables explain 59.6% of the variability of Gross county product (GCP). To further enhance the results of the R2 an ANOVA was run and demonstrated in table 7 below:

Table 4.5:Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	228.634	3	76.211	21.118	.000[b]
	Residual	155.177	43	3.609		
	Total	383.812	46			

From the analysis of variance table above, the processed data, which include Gross county product drivers, had a significance level of 0.00. This indicates, that conclusions can be made from the data as the significance level denoted by p-value is less than 5%. This can be assessed as per the hypothesis below:

H0: βi=0

H1: At least one of the βis is not zero

The hypothesis is tested at alpha= 5% significance level and the p-values are used to decide the coefficient values. For every p-values less than 5%, H1 is accepted and for p-values greater than 5% fail to accept H1 and instead accept H0. The value in table 7 is 0.000 which is less than 5%. Hence, at least one of the Bis is not zero. We fail to reject Hi. For the overall regression model, F statistic values is compared with the corresponding critical values.

The value of F (3. 43) =21.118, is greater than the critical value of 2.493 affirming that the results of the coefficient of determination, that the independent variables significantly predict Gross county product.

4.4.4 Discussion

The research found out that there was a positive relationship between the dependent and the independent variable. The data provided indicates that whenever there is an increase in any of the independent the dependent variable increase to and vice versa. A high standard deviation of 16.8 % was reported on the mean absorption rate for the year 2013 indicating a significant variation between counties in terms of budget absorption. This was followed by the year 2016 and 2015 respectively with the year 2017 recording the lowest variance in budget absorption across counties at 8.4%.

It is also clear that the dependent variable can be explained by the three-independent variable since the R^2 was more than 0.596. The coefficient of determination R^2 indicates the proportion of variance in the dependent variable (GCP) that is explained by the independent variable. A value of 59.6% indicates that independent variables explain 59.6% of the variability of Gross county product (GCP).

Local revenue collected is highly discrete across the 47 counties at 12.42% standard deviation, this is an indication that different counties have different capacities in terms of collecting and meeting the targets.

The three independent variables did not correlate and therefore there was no indication of multicollinearity between them. However, the independent variable and the dependent variable are correlated affirming that the dependent variable which is the county performance is explained by the independent variables (OAR, PE, R). This data analysis indicates that an increase in the independent variable leads to an increase in the dependent variable.

The independent variable and a strong relationship with the independent variable for instance when the county local revenue has been increasing and these is done through an improvement in the sources of revenue and through achieving the set revenue targets there is a subsequent increase in the dependent variable GCP this shows that the t-statistic is strong for each variable the t-value variables for revenue greater than 2.0 and p-value less than 5% at a value of Revenue 0.077.

4.4.5 Summary

These chapter captured the findings on the effect of budget execution on the forty-seven counties; the chapter presented the data in a very systematic manger from the descriptive statistics, empirical model for the study and debate of the study results in relative to existing literature.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The objective of this research project was to identify the effect of budget execution on the performance of counties governments in Kenya.

5.2 Summary of the Study

The study observed how budgets execution affects counties performed in Kenya. The independent variables in my research were revenue, absorption rate and personal emolument while the dependent was the county performance in relation to the gross county product which is a measure of how much each county contributes to Kenya's Gross Domestic Product (GDP). GCP looks at the estimates of how the counties are growing as a result of the financial injection and other generating activities in the sectors within the counties. The study surrounded the use of secondary data from the office of controller of budget OCOB for the independent variable – budget execution and from the Kenya National Bureau of Statistics (KNBS) for the county performance dependent variable collected from the 47-county governments in Kenya to make a conclusion on whether the utilization of budget will affect the performance of counties in Kenya.

5.3 Conclusion

The study concludes that budget execution affects the performance of the County Governments in Kenya. The county government should look for better ways of implementing the provided budget and implement it in the current. It also concludes that low county deficit leads to low county performance. For better execution, the counties should adopt the programmed based budgeting whereby the money is directed to the program meant to fund. It is also important that the county officers are taken through training on the execution of the budgets and how best to meet their budget targets. County offices should be signing budget performance evaluation forms. County government should stop too much reliance on local revenue since there has been a continued variance on the amount collected vs the targeted amount which has been adversely affecting the budget execution over the years of research. High deficits in the county budget revenue imply low performance and low contribution to the GCP as the available revenues will be reallocated or spread to maximize the itemization of the budgets and consider the priorities giving a negative performance to sectors of the budget lines. The revenue collected in the county governments has an important part in the success of budgets approved by the County Assemblies. From the study findings, high revenue collections are a necessity for low deficit existence in the budgets with poor collections aiding the high levels of deficit thus need for more financing for the execution of the itemized budget lines. Subsequently, the counties need to formulate and further implement strategies to enhance local revenue collection in the counties to determine the county performance. This is evident with most counties not achieving their targets. Further, the study concludes high personal emolument has led to low county performance since money that is meant for development is diverted towards payment of salaries and wages.

5.4 Policy Recommendations

The study recommends further consideration into budget execution and the effect it imposes on the county performances. Counties need to calculate their net magnitude worthy with the realization of relevant estimates for funding rather than puffing dependence on the revenues collected (some below par) in the counties. This will ensure the sustainability of funds and reduction in the high deficit existing in the counties. The study too recommends that more budgetary consideration be made to reduce the recurrent expenditures that are observed to receive high allocations rather consider on more return-based itemization that will create more gains to the county governments. In this case, there is a need for consideration into the reduction of non-essential human capital that adds less to the county performance and concentrates on a wide range of budget expenditures that will create relevance otherwise more county performance gains. Counties should have proper cash management and cash-flow planning function. Cash management is critical function for budget execution. Cash management to be institutionalized of More expenditure concentration is corrosive to the performance and sustainability of county governments as many may encourage the existence of lagged debt repayment schedules and transferred citizenry burden.

5.5 Limitation of the Study

The research depended on secondary data and therefore no questioners administered to the budget county officials of the 47 devolved units to explain why budget execution has face challenges despite resources provided to them. Besides, the study depended on the secondary data which might not be very accurate. Accessing the data from the office of the controller of budget and Kenya National Bureau of Statistics was a challenge since the data was not available in their websites, therefore, i had to use long methods of visiting their office to access the same data.

5.6 Suggestions for Further Research

The study suggests sectional areas for further research by the interested parties. Researchers should give focus on other areas of study such as the impact of gross county product on the growth of counties in Kenya and how they impact the performance of counties with consideration into the Exchequer releases. There is also a need to look at other factors that affect the performance of counties governments other than the budget. The researcher can also look at how the formula formulated by the Commission of revenue allocation (CRA) affects the performance of devolved units in Kenya.

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APPENDICES

Appendix I: List of the Forty -Seven (47) County Governments in Kenya census.

CODE	COUNTY	FORMER PROVINCE	CODE	COUNTY	FORMER PROVINCE
1	Mombasa (County)	Coast	25	Samburu	Rift Valley
2	Kwale	Coast	26	Trans-Nzoia	Rift Valley
3	Kilifi	Coast	27	Uasin Gishu	Rift Valley
4	Tana River	Coast	28	Elgeyo-Marakwet	Rift Valley
5	Lamu	Coast	29	Nandi	Rift Valley
6	Taita–Taveta	Coast	30	Baringo	Rift Valley
7	Garissa	North Eastern	31	Laikipia	Rift Valley
8	Wajir	North Eastern	32	Nakuru	Rift Valley
9	Mandera	North Eastern	33	Narok	Rift Valley
10	Marsabit	Eastern	34	Kajiado	Rift Valley
11	Isiolo	Eastern	35	Kericho	Rift Valley
12	Meru	Eastern	36	Bomet	Rift Valley
13	Tharaka-Nithi	Eastern	37	Kakamega	Western
14	Embu	Eastern	38	Vihiga	Western
15	Kitui	Eastern	39	Bungoma	Western
16	Machakos	Eastern	40	Busia	Western
17	Makueni	Eastern	41	Siaya	Nyanza
18	Nyandarua	Central	42	Kisumu	Nyanza
19	Nyeri	Central	43	Homa Bay	Nyanza
20	Kirinyaga	Central	44	Migori	Nyanza
21	Murang'a	Central	45	Kisii	Nyanza
22	Kiambu	Central	46	Nyamira	Nyanza
23	Turkana	Rift Valley	47	Nairobi (County)	Nairobi (Province)
24	West Pokot	Rift Valley			

Appendix II: Summary of Data Collected

County	GCP	OAR	PE	R
Baringo	1.011%	88.20%	41.33%	60.24%
Bomet	1.691%	92.53%	37.64%	60.15%
Bungoma	2.096%	81.50%	36.28%	47.00%
Busia	0.939%	82.12%	37.81%	48.64%
Elgeyo/Marakwet	1.513%	86.81%	49.47%	50.13%
Embu	1.062%	88.06%	52.56%	44.11%
Garissa	0.529%	87.71%	32.17%	23.30%
Homa Bay	1.318%	88.39%	40.26%	66.77%
Isiolo	0.207%	90.49%	35.77%	33.87%
Kajiado	1.383%	82.22%	36.89%	49.53%
Kakamega	2.211%	81.61%	36.10%	41.83%
Kericho	1.685%	89.27%	38.50%	67.45%
Kiambu	5.013%	91.65%	46.67%	48.06%
Kilifi	1.499%	86.54%	28.50%	38.68%
Kirinyaga	1.249%	84.13%	46.63%	51.76%
Kisii	1.909%	91.61%	42.37%	33.55%
Kisumu	2.647%	80.93%	49.42%	49.36%
Kitui	1.270%	84.12%	30.74%	45.49%
Kwale	1.020%	84.14%	28.48%	57.49%
Laikipia	0.908%	90.16%	48.66%	66.64%
Lamu	0.367%	74.30%	35.38%	53.61%
Machakos	2.949%	88.04%	42.99%	44.12%
Makueni	1.296%	80.90%	37.84%	51.64%
Mandera	0.457%	90.99%	17.95%	32.76%
Marsabit	0.429%	84.00%	23.16%	89.89%
Meru	2.682%	81.77%	45.37%	59.86%
Migori	1.137%	84.17%	36.01%	65.71%
Mombasa	4.254%	92.35%	41.82%	55.06%
Murang'a	2.066%	91.47%	39.75%	52.29%
Nairobi City	19.766%	127.61%	54.40%	58.86%
Nakuru	5.577%	81.76%	45.60%	67.91%
Nandi	1.451%	86.91%	29.63%	50.05%
Narok	2.037%	90.63%	33.65%	55.71%
Nyamira	1.242%	85.38%	38.41%	40.36%
Nyandarua	2.384%	89.73%	38.57%	70.10%
Nyeri	1.967%	88.23%	52.06%	53.89%
Samburu	0.314%	87.73%	28.96%	50.58%

Siaya	1.063%	75.88%	37.24%	42.87%
Taita/Taveta	0.615%	82.89%	47.49%	43.58%
Tana River	0.448%	64.81%	27.45%	63.65%
Tharaka -Nithi	0.757%	80.82%	49.61%	51.06%
Trans Nzoia	1.505%	82.60%	35.97%	63.73%
Turkana	1.046%	78.10%	20.44%	68.89%
Uasin Gishu	2.134%	80.36%	40.41%	70.32%
Vihiga	0.716%	75.15%	41.53%	45.27%
Wajir	0.493%	90.34%	29.90%	59.75%
West Pokot	0.603%	92.58%	33.25%	71.06%