



## **COUNTY GOVERNMENT OF KIRINYAGA**

### **DEPARTMENT OF FINANCE & ECONOMIC PLANNING**

#### **2<sup>nd</sup> Quarter Budget Implementation Review Report (BIRR)**

**FY 2020/21**

**County Treasury**

Kirinyaga County

P.O. Box 260 – 10034

**KUTUS, KENYA**

**EXECUTIVE SUMMARY:**

This report covers the budget implementation for the first six months of 2020/21FY. The report covers two major sections; the revenue analysis section and the expenditure analysis part. In the revenue, the report details the total revenue collected for the first six months in the revenue streams and classifications. This part also indicates the current status of revenue collection target for the period. The second part analyses both the recurrent and development expenditure by the County Government entities during the period under review.

The County Government's total approved budget in the Supplementary1 Budget for 2020-21 FY amounts to KShs 6,768,270,021.

Recurrent allocation of Kshs 4,144,198,736 and Development allocation of Ksh 2,624,071,285.

In the period under review, recurrent expenditure amounted to KShs. 1,813,389,708. Development expenditure for the period under review amounted to KShs 232,176,897.

Own Source Revenue target for Financial Year 2020/21 is Kshs 405,000,000. Revenue collected in the second quarter amounted to Kshs. 70,701,991. Cumulative own source revenue collected for half year amounted to Kshs. 162,654,917.

## 1. INTRODUCTION

### **Legal basis for preparation of quarterly reports**

This report is prepared in accordance with section 166 (1) and 166 (4) of the Public Finance Management Act 2012. The act requires that, “An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity”. Further, “not later than one month after the end of each quarter, the County Treasury shall—

- (a) Consolidate the quarterly reports and submit them to the county assembly;
- (b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
- (c) Publish and publicize them.

## 2. REVENUE ANALYSIS

The approved resource envelope for Approved 2020/21 FY Kirinyaga County Budget amounts to KShs. 6,768,270,021 which will be financed as per the below resource envelope.

DESCRIPTION	APPROVED SUPPLEMENTARY BUDGET 1
Equitable Share	4,241,100,000
Allocation - User Fees Foregone	11,282,570
Conditional Allocation financed by a Grant from National Government for COVID-19 Emergency Response	116,356,000
Transforming Healthcare Systems for Universal Care Project (THSUCP)	26,720,000
Allocation of Roads Maintenance Fuel Levy Fund for Repair and Maintenance of County Roads	127,349,086
Savings from Roads Maintenance Levy Fund for FY 2018-2019	24,400,000
Delayed Exchequer May/June 2020	364,734,600
Allocation Financed by Grant from Government of Denmark to Supplement Financing of County Health facilities (DANIDA)	12,060,000
Additional Allocation Financed by Grant from Government of Denmark to Supplement Financing of County Health facilities (DANIDA)	4,585,000
Local Revenues	405,000,000
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant (Roll-Over FY 2018/2019)	41,078,830
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant (Roll-Over FY 2019/2020)	30,000,000
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant	45,000,000
IDA-(World Bank ) Kenya Devolution Support Programme Grant (KDSP) Level 2 Grant	146,608,512
Receipt from National Government's Ministry of Health for allowances to be paid to frontline health care workers for COVID-19	43,740,000
National Government- Grant for Youth Polytechnics	26,899,894
IDA-(World Bank) Kenya Urban Support Project (KUSP) UDG	71,302,200
IDA- (Kenya Urban Support Project (KUSP)-UIG	8,800,000
IDA- (World Bank)Credit National Agricultural and Rural Inclusive Growth Project (NARIGP)	199,748,243
Sweden- Agriculture Sector Development Support Programme (ASDSP II)	11,509,004
Rolled over Funds	809,996,082
<b>TOTAL REVENUES</b>	<b>6,768,270,021</b>

Source: County Treasury

## OWN SOURCE REVENUE

The County has a projected revenue target of KShs. 405,000,000 in the FY 2020/21 Budget and during the period under review the actual Own Source Revenue collected in the second quarter amounts to Kshs. 70,701,991 while total revenue collected for half-year amounts to Kshs 162,654,917

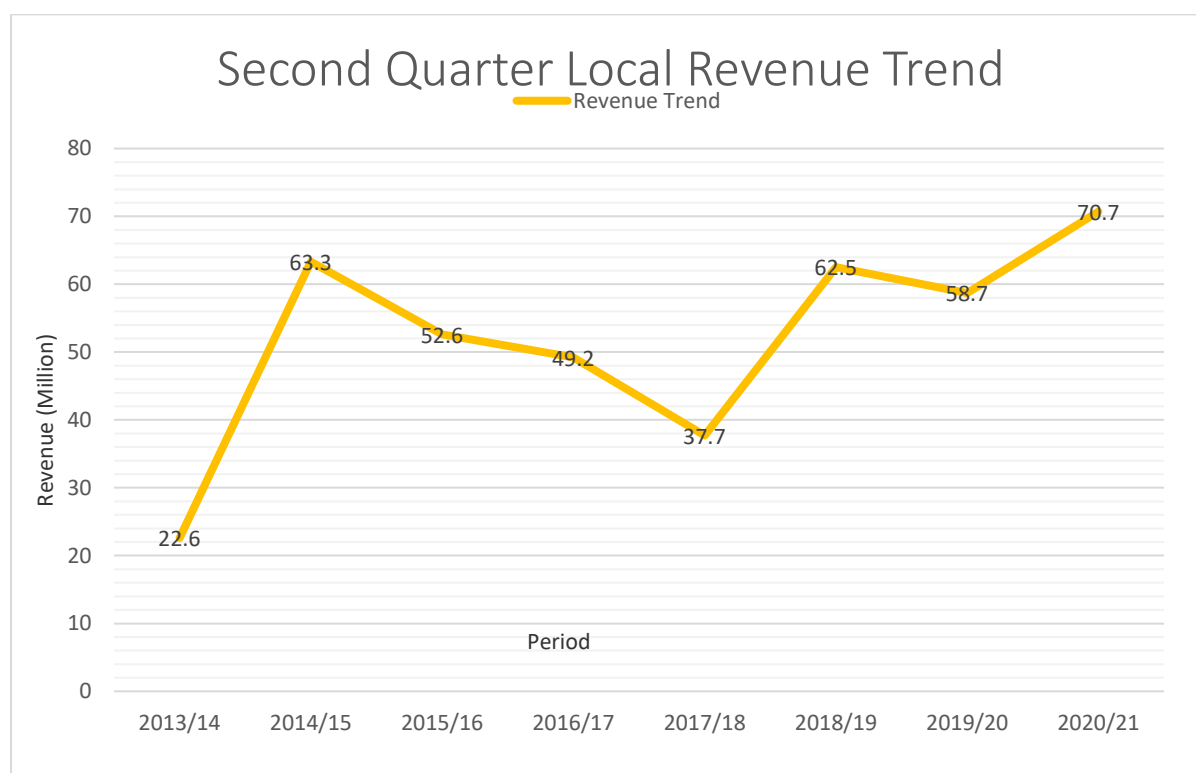
## OWN SOURCE REVENUE COLLECTION

REVENUE SOURCE	ANNUAL TARGET	1ST QUARTER	OCTOBER	NOVEMBER	DECEMBER	2ND QUARTER	TOTAL	VARIANCE
Business Permits	69,998,560	11,869,944	1,649,572	570,712	419,344	2,639,628	14,509,572	55,488,988
Market Entrance/Gate Fee	35,000,000	9,532,680	3,215,490	2,856,120	3,705,710	9,777,320	19,310,000	15,690,000
Quarry Cess/Fee	3,000,000	758,000	252,400	183,200	144,000	579,600	1,337,600	1,662,400
Parking Fee	22,000,000	4,976,790	1,103,370	1,992,170	2,320,940	5,416,480	10,393,270	11,606,730
Land Ground Rates & Arrears	25,484,928	2,957,994	547,914	501,862	616,498	1,666,274	4,624,268	20,860,660
Liquor License	24,000,000	3,213,000	522,500	120,000	216,500	859,000	4,072,000	19,928,000
Health(Hospitals)	140,000,000	44,315,132	16,486,063	11,550,014	11,029,298	39,065,375	83,380,507	56,619,493
Veterinary Services	5,141,255	1,309,450	317,500	174,800	0	492,300	1,801,750	3,339,505
Buildings Plans	12,120,200	3,072,582	0	161,690	989,040	1,150,730	4,223,312	7,896,888
Public Health	24,000,000	1,045,100	260,400	224,000	0	484,400	1,529,500	22,470,500
Sub Division Fee	1,000,000	46,100	0	53,400	17,400	70,800	116,900	883,100
Transfer Fee	1,350,226	412,900	0	52,300	110,500	162,800	575,700	774,526
House Rents	2,649,600	594,500	208,000	237,600	195,000	640,600	1,235,100	1,414,500
Market Stall	2,500,000	582,300	223,150	0	220,000	443,150	1,025,450	1,474,550
Survey Fee	1,000,000	79,800	0	0	16,000	16,000	95,800	904,200
Sale Of Minutes	1,178,763	266,600	0	38,200	75,000	113,200	379,800	798,963
Advertisement	9,500,000	1,207,645	0	0	360,800	360,800	1,568,445	7,931,555
Produce Cess	6,000,000	1,332,320	0	0	242,400	242,400	1,574,720	4,425,280

Trade-Weights	980,000	143,180	155,310	109,100	29,980	294,390	437,570	542,430
Coop Audit	600,000	0	0	0	0	0	0	600,000
Group Registration	1,400,000	408,900	74,900	51,700	51,700	178,300	587,200	812,800
Refuse Collection	8,485,151	1,158,623	0	26,480	98,760	125,240	1,283,863	7,201,288
Kamweti	3,801,935	326,854	853,771	78,963	101,377	1,034,111	1,360,965	2,440,970
Administrative Charges	3,809,383	2,342,532	3,387,102	1,250,816	251,175	4,889,093	7,231,625	-3,422,242
<b>TOTAL (FY 2020/2021)</b>	<b>405,000,000</b>	<b>91,952,926</b>	<b>29,257,442</b>	<b>20,233,127</b>	<b>21,211,422</b>	<b>70,701,991</b>	<b>162,654,917</b>	<b>242,345,083</b>
<b>TOTAL (FY 2019/2020)</b>	<b>374,738,723</b>	<b>62,745,434</b>	<b>20,655,773</b>	<b>18,227,578</b>	<b>19,934,818</b>	<b>58,818,169</b>	<b>121,563,603</b>	<b>253,175,121</b>

Source: County Treasury

### Second Quarter Own Source Revenue trend in previous Financial Years



### 3. EXPENDITURE ANALYSIS

The County Government total approved 2020/21 FY in First Supplementary budget amounts to KShs. 6,768,270,021. This includes development allocation of KShs. 2,624,071,285 and recurrent allocation of Kshs. 4,144,198,736

### 2020/21 FY Approved Budget Estimates

# Quarterly Budget Execution Report | 2020/21

		Approved Budget 2020/21			Supplementary 1 Approved Budget		
		Approved Recurrent Budget 2020/21 FY	Approved Development Budget 2020/21 FY	TOTAL	Approved Supplementa ry 1 Budget 2020/21FY Recurrent	Approved Supplementa ry 1 Budget 2020/21FY Development	TOTAL
	ENTITY	KSHS	KSHS	KSHS	KSHS	KSHS	KSHS
3961	County Assembly	569,393,333	631,144,738	1,200,538,071	569,393,333	500,860,717	1,070,254,050
3962	County Executive	333,680,850	85,000,000	418,680,850	481,790,441	149,097,638	630,888,079
3963	Finance and Economic Planning	400,294,539	70,000,000	470,294,539	572,615,230	152,672,520	725,287,750
3964	Agriculture, Livestock and Fisheries	182,003,939	202,748,243	384,752,182	235,701,097	546,599,715	782,300,812
3965	Environment, Water and Natural Resources	91,089,239	120,000,000	211,089,239	102,589,239	92,050,000	194,639,239
3966	Education	281,944,729	56,099,894	338,044,623	245,744,623	54,038,344	299,782,967
3967	County Health Services	1,677,282,757	264,356,000	1,941,638,757	1,711,902,792	557,554,955	2,269,457,747
3968	Lands, Housing and Urban Development	27,968,028	13,700,000	41,668,028	37,768,028	164,999,831	202,767,859
3969	Transport and Infrastructure	71,666,285	386,749,086	458,415,371	77,078,285	324,760,698	401,838,983
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	27,353,627	17,200,000	44,553,627	42,839,441	40,336,868	83,176,309
3971	Gender and Youth	35,752,210	78,100,000	113,852,210	46,168,210	7,000,000	53,168,210
3972	Sports, Culture and Social Services	30,608,017	24,900,000	55,508,017	20,608,017	34,100,000	54,708,017
	<b>TOTAL</b>	<b>3,729,037,553</b>	<b>1,949,997,961</b>	<b>5,679,035,514</b>	<b>4,144,198,736</b>	<b>2,624,071,285</b>	<b>6,768,270,021</b>

Source: County Treasury

## Recurrent Expenditure

Total cumulative recurrent expenditure for first six months of 2020/21 FY amounted to KShs. 1,813,389,708 which represents 44% of the total recurrent budget estimates. The major contributor to the second quarter expenditure is the County Health services department. Total recurrent expenditure for this sector amounts to KShs. 685,928,754. This indicates a 38% of the total recurrent expenditure in the county for the period under review. This also represents a 40% expenditure against total approved recurrent expenditure for this department.

The first six months recurrent expenditure for 2020/21 FY has recorded a 306,037,469.00 (20%) increase compared to a similar period in 2019/20FY.

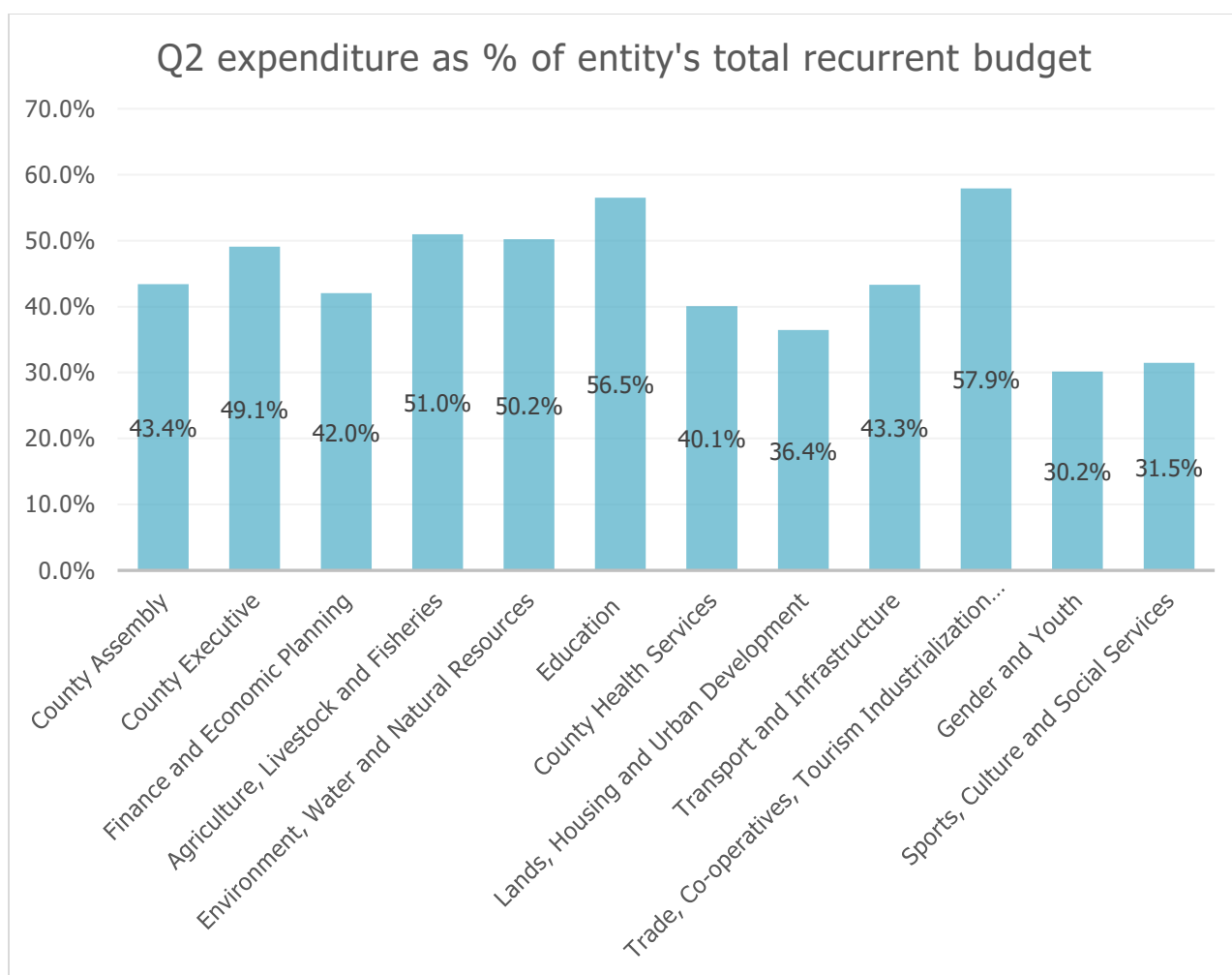
## First Six Months Expenditure per Department 2020/21 FY

		<b>Approved Recurrent Budget 2020/21 FY</b>	<b>Approved Supplementar y 1 Budget 2020/21FY Recurrent</b>	<b>2nd Quarter Cumulative Expenditure</b>
	<b>ENTITY</b>	<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
3961	County Assembly	569,393,333	569,393,333	247,200,895
3962	County Executive	333,680,850	481,790,441	236,612,966
3963	Finance and Economic Planning	400,294,539	572,615,230	240,714,313
3964	Agriculture, Livestock and Fisheries	182,003,939	235,701,097	120,137,923
3965	Environment, Water and Natural Resources	91,089,239	102,589,239	51,533,658
3966	Education	281,944,729	245,744,623	138,874,981
3967	County Health Services	1,677,282,757	1,711,902,792	685,928,754
3968	Lands, Housing and Urban Development	27,968,028	37,768,028	13,759,825
3969	Transport and Infrastructure	71,666,285	77,078,285	33,379,930



3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	27,353,627	42,839,441	24,823,265
3971	Gender and Youth	35,752,210	46,168,210	13,933,390
3972	Sports, Culture and Social Services	30,608,017	20,608,017	6,489,808
	<b>TOTAL</b>	<b>3,729,037,553</b>	<b>4,144,198,736</b>	<b>1,813,389,708</b>

Source: County Treasury



#### Comparison between expenditures in Q2 for 2020/21FY and 2019/20 FY

ENTITY	2nd Quarter Recurrent Expenditure 2020-21 FY	2nd Quarter Recurrent Expenditure 2019-20FY
County Assembly	247,200,895.00	292,631,700.00

County Executive	236,612,966.00	166,319,144.00
Finance and Economic Planning	240,714,313.00	130,682,193.00
Agriculture, Livestock and Fisheries	120,137,923.00	64,398,094.00
Environment, Water and Natural Resources	51,533,658.00	30,359,322.00
Education	138,874,981.00	30,953,604.00
County Health Services	685,928,754.00	727,407,217.00
Lands, Housing and Urban Development	13,759,825.00	7,325,290.00
Transport and Infrastructure	33,379,930.00	13,919,772.00
Trade, Co-operatives, Tourism Industrialization and Enterprise Development	24,823,265.00	15,049,290.00
Gender and Youth	13,933,390.00	13,861,531.00
Sports, Culture and Social Services	6,489,808.00	14,445,082.00
<b>TOTAL</b>	<b>1,813,389,708.00</b>	<b>1,507,352,239.00</b>

Source: County Treasury

### Development Expenditure

Development expenditure for the period under review amounted to Kshs. 232,176,897. This is an increase in expenditure compared to a similar period in 2019/20FY which recorded development expenditure amounting to Kshs 183,226,952.

Health Services department has the largest share in development expenditure for the first six months amounting to 181,427,687.00 (78% of total development expenditure)

		<b>Approved Development Budget 2020/21 FY</b>	<b>Approved Supplementary 1 Budget 2020/21FY Development</b>	<b>2nd Quarter Cumulative Expenditure</b>
	<b>ENTITY</b>	<b>KSHS</b>	<b>KSHS</b>	
3961	County Assembly	631,144,738	500,860,717	-
3962	County Executive	85,000,000	149,097,638	-
3963	Finance and Economic Planning	70,000,000	152,672,520	11,869,508

3964	Agriculture, Livestock and Fisheries	202,748,243	546,599,715	16,916,271
3965	Environment, Water and Natural Resources	120,000,000	92,050,000	-
3966	Education	56,099,894	54,038,344	-
3967	County Health Services	264,356,000	557,554,955	181,427,687
3968	Lands, Housing and Urban Development	13,700,000	164,999,831	20,304,100
3969	Transport and Infrastructure	386,749,086	324,760,698	1,659,331
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	17,200,000	40,336,868	-
3971	Gender and Youth	78,100,000	7,000,000	-
3972	Sports, Culture and Social Services	24,900,000	34,100,000	-
	<b>TOTAL</b>	<b>1,949,997,961</b>	<b>2,624,071,285</b>	<b>232,176,897</b>

Source: County Treasury

