



COUNTY GOVERNMENT OF KIRINYAGA

DEPARTMENT OF FINANCE & ECONOMIC PLANNING

Annual Budget Implementation and Review Report (ABIRR)

FY 2020/21

County Treasury

Kirinyaga County

P.O. Box 260 – 10034

KUTUS, KENYA

EXECUTIVE SUMMARY:

This report covers the budget implementation for the financial year 2020-21. The report covers two major sections; the revenue analysis section and the expenditure analysis part. In the revenue the report details the total own source revenue collected in the financial year, the revenue streams and classifications. This part also indicates the current status of revenue collection target. The second part analyses both the recurrent and development expenditure by the County Government entities during the 2020-21FY.

The County Government's total approved budget as contained in Supplementary 3 for 2020-21 FY amounts to KShs 6.795 Billion. Recurrent allocation of 4.237 Billion and Development allocation of 2.558 Billion.

In the period under review, recurrent expenditure amounted to KShs 4,068,008,521 (absorption rate of 96%) while Development expenditure amounting to Kshs 1,444,983,610 representing absorption rate of 56.5%.

Own Source revenue collected in 2020-21FY amounted to 346,521,599 (86% of the annual revenue target).

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. 6,795,605,668 which will be financed as per the below resource envelope.

#	DESCRIPTION	APPROVED SUPPLEMENTARY BUDGET 3
1	Equitable Share	4,241,100,000
2	Allocation - User Fees Foregone	11,282,570
3	Conditional Allocation financed by a Grant from National Government for COVID-19 Emergency Response	116,356,000
4	Transforming Healthcare Systems for Universal Care Project (THSUCP)	26,720,000
6	Allocation of Roads Maintenance Fuel Levy Fund for Repair and Maintenance of County Roads	127,349,086
7	Savings from Roads Maintenance Levy Fund for FY 2018-2019	24,400,000
8	Delayed Exchequer May/June 2020	364,734,600
9	Allocation Financed by Grant from Government of Denmark to Supplement Financing of County Health facilities (DANIDA)	12,060,000
10	Additional Allocation Financed by Grant from Government of Denmark to Supplement Financing of County Health facilities (DANIDA)	4,585,000
11	Local Revenues	405,000,000
12	IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant (Roll-Over FY 2018/2019)	41,078,830
13	IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant (Roll-Over FY 2019/2020)	30,000,000
14	IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant	45,000,000
15	IDA-(World Bank) Kenya Devolution Support Programme Grant (KDSP) Level 2 Grant	146,608,512
16	Receipt from National Government's Ministry of Health for allowances to be paid to frontline health care workers for COVID-19	43,740,000

17	National Government- Grant for Youth Polytechnics	26,899,894
18	Grant for Youth Polytechnics (Carried forward from FY 2018/2019)	-
19	IDA-(World Bank) Kenya Urban Support Project (KUSP) UDG	71,302,200
20	IDA- (Kenya Urban Support Project (KUSP)-UIG	8,800,000
21	IDA- (World Bank)Credit National Agricultural and Rural Inclusive Growth Project (NARIGP)	199,748,243
22	KRB Savings - for 2018/19 and 2019/20 FYs	27,335,647
23	Sweden- Agriculture Sector Development Support Programme (ASDSP II)	11,509,004
24	Rolled over Funds	809,996,082
	TOTAL REVENUES	6,795,605,668

Source: County Treasury

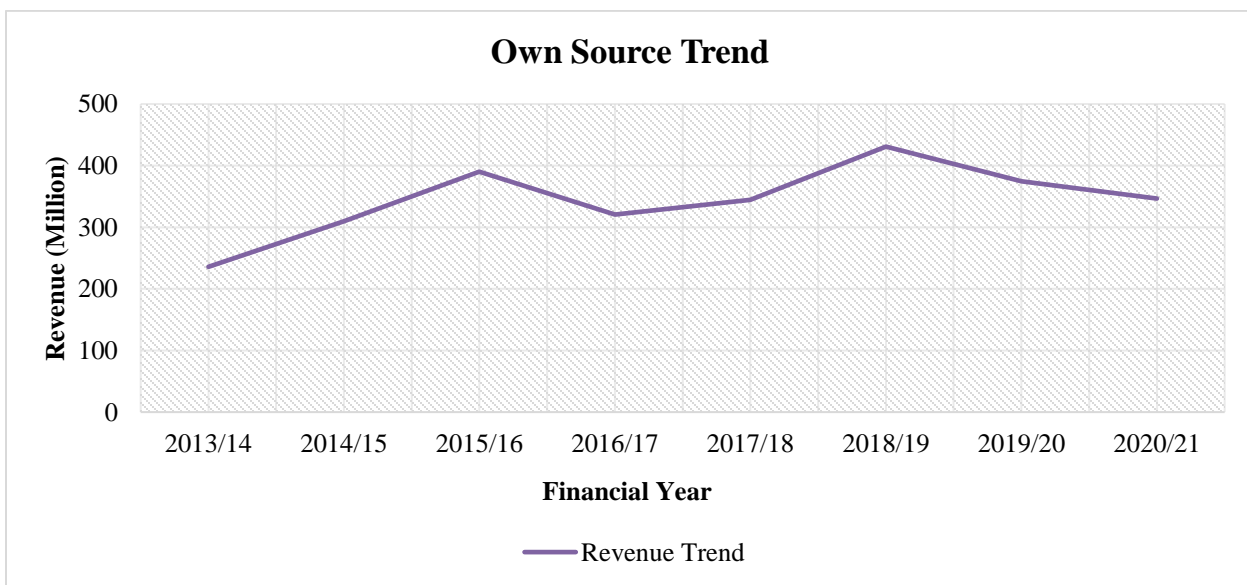
OWN SOURCE REVENUE

The County has a projected revenue target of KShs. 405 Million in the FY 2020/21. During the 2020-21FY the actual Own Source Revenue collected amounted to Kshs 346,521,599 against a Revenue Target of KShs 405,000,000. This indicates own source revenue performance of 86%.

REVENUE SOURCE	ANNUAL TARGET	REVENUE COLLECTED
Business Permits	69,998,560	57,760,450
Market Entrance/Gate Fee	35,000,000	24,777,510
Quarry Cess/Fee	3,000,000	2,523,400
Parking Fee	22,000,000	16,177,700
Land,Ground Rates &Arrears	25,484,928	5,938,868
Liquor License	24,000,000	7,080,750
Health(Hospitals)	140,000,000	162,263,678
Veterinary Services	5,141,255	3,521,903
Buildings Plans	12,120,200	12,399,928
Public Health	24,000,000	13,814,407
Sub Division Fee	1,000,000	169,900
Transfer Fee	1,350,226	1,385,200
House Rents	2,649,600	2,530,225
Market Stall	2,500,000	2,276,614
Survey Fee	1,000,000	1,274,800
Sale Of Minutes	1,178,763	757,885

Advertisement	9,500,000	9,467,945
Produce Cess	6,000,000	4,391,748
Trade-Weights	980,000	2,085,202
Coop Audit	600,000	156,588
Group Registration	1,400,000	820,200
Refuse Collecton	8,485,151	7,715,503
Kamweti	3,801,935	3,444,778
Administrative Charges	3,809,383	3,786,416
TOTAL (FY 2020/2021)	405,000,000	346,521,599
TOTAL (FY 2019/2020)	480,000,000	374,724,257
VARIANCE	-75,000,000	-28,202,658

Source: County Treasury



3. EXPENDITURE ANALYSIS

The County Government total approved 2020/21 FY budget amounts to KShs. 6.795 Billion.

2020/21 FY Approved Budget Estimates

		<i>Approved Supplementary 3 Budget 2020/21FY Recurrent</i>	<i>Approved Supplementary 3 Budget 2020/21FY Development</i>	TOTAL
	ENTITY			
3961	County Assembly	669,393,333	428,860,717	1,098,254,050
3962	County Executive	465,241,039	109,097,638	574,338,677
3963	Finance and Economic Planning	557,961,866	152,672,520	710,634,386
3964	Agriculture, Livestock and Fisheries	190,701,097	546,599,715	737,300,812
3965	Environment, Water and Natural Resources	102,589,239	105,800,000	208,389,239
3966	Education	246,044,623	54,538,344	300,582,967
3967	County Health Services	1,779,789,586	556,554,955	2,336,344,541
3968	Lands, Housing and Urban Development	37,768,028	164,999,831	202,767,859
3969	Transport and Infrastructure	79,578,285	391,680,630	471,258,915
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	42,839,441	19,585,934	62,425,375
3971	Gender and Youth	46,168,210	9,733,421	55,901,631
3972	Sports, Culture and Social Services	19,345,017	18,062,200	37,407,217
	TOTAL	4,237,419,764	2,558,185,904	6,795,605,668

Source: County Treasury

Recurrent Expenditure

Total cumulative recurrent expenditure for 2020/21 FY amounted to KShs. 4,068,008,521 which represents 96% of the total recurrent budget estimates. The major contributor to this expenditure is the County Health services sector. Recurrent expenditure for this sector amounts to KShs. 1,727,749,123. This indicates a 42% of the recurrent expenditure in the county. This also represents a 97% expenditure against total approved recurrent expenditure for this sector.

Recurrent Expenditure per Department 2020/21 FY

		<i>Approved Supplementary 3 Budget 2020/21FY Recurrent</i>	<i>Annual Expenditure</i>
	ENTITY		
3961	County Assembly	669,393,333	662,451,112
3962	County Executive	465,241,039	456,591,005
3963	Finance and Economic Planning	557,961,866	473,331,086
3964	Agriculture, Livestock and Fisheries	190,701,097	188,701,445
3965	Environment, Water and Natural Resources	102,589,239	101,747,655
3966	Education	246,044,623	244,964,375
3967	County Health Services	1,779,789,586	1,727,749,123
3968	Lands, Housing and Urban Development	37,768,028	28,585,928
3969	Transport and Infrastructure	79,578,285	77,933,952
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	42,839,441	42,062,897
3971	Gender and Youth	46,168,210	45,506,659

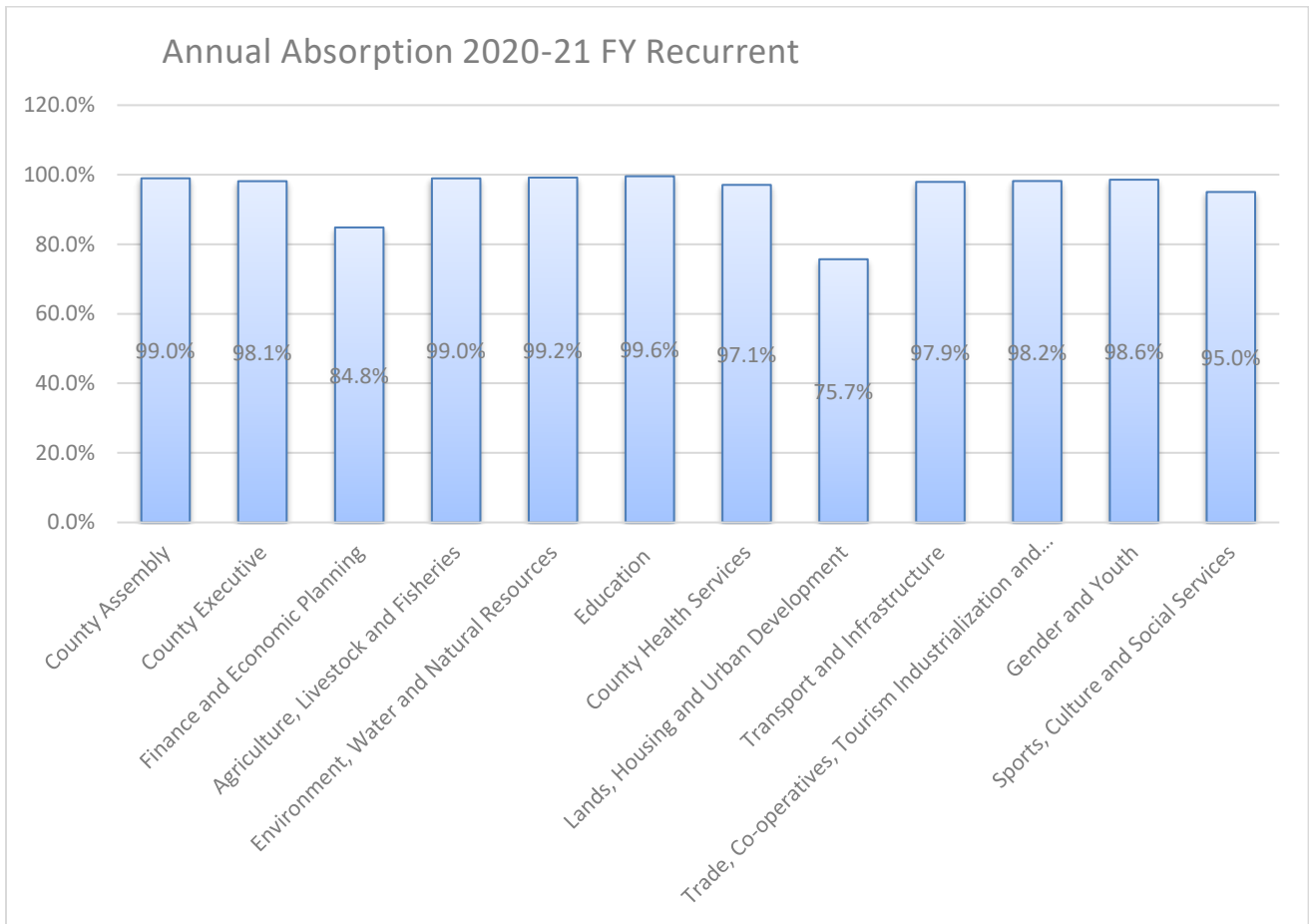
3972	Sports, Culture and Social Services	19,345,017	18,383,284
	TOTAL	4,237,419,764	4,068,008,521

Source: County Treasury

Budget Utilization 2020-21FY

		<i>Approved Supplementary Budget 2020/21FY Recurrent</i>	<i>Annual Expenditure</i>	% Share of Annual Expenditure	Annual Absorption
	ENTITY				
3961	County Assembly	669,393,333	662,451,112	16.3%	99.0%
3962	County Executive	465,241,039	456,591,005	11.2%	98.1%
3963	Finance and Economic Planning	557,961,866	473,331,086	11.6%	84.8%
3964	Agriculture, Livestock and Fisheries	190,701,097	188,701,445	4.6%	99.0%
3965	Environment, Water and Natural Resources	102,589,239	101,747,655	2.5%	99.2%
3966	Education	246,044,623	244,964,375	6.0%	99.6%
3967	County Health Services	1,779,789,586	1,727,749,123	42.5%	97.1%
3968	Lands, Housing and Urban Development	37,768,028	28,585,928	0.7%	75.7%
3969	Transport and Infrastructure	79,578,285	77,933,952	1.9%	97.9%
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	42,839,441	42,062,897	1.0%	98.2%
3971	Gender and Youth	46,168,210	45,506,659	1.1%	98.6%
3972	Sports, Culture and Social Services	19,345,017	18,383,284	0.5%	95.0%
	TOTAL	4,237,419,764	4,068,008,521	100.0%	96.0%

Source: County Treasury



Development Expenditure

Development expenditure for the period under review amounted to Kshs. 1,444,983,610. This show an absorption rate of 56.5% of total approved Development budget.

		<i>Approved Supplementary Budget 2020/21FY Development</i>	<i>Annual Expenditure 2020/21 FY</i>
	ENTITY		
3961	County Assembly	428,860,717	169,292,492
3962	County Executive	109,097,638	106,467,302
3963	Finance and Economic Planning	152,672,520	17,853,506
3964	Agriculture, Livestock and Fisheries	546,599,715	169,446,425
3965	Environment, Water and Natural Resources	105,800,000	83,902,956
3966	Education	54,538,344	30,936,429
3967	County Health Services	556,554,955	462,861,490
3968	Lands, Housing and Urban Development	164,999,831	42,716,526
3969	Transport and Infrastructure	391,680,630	326,443,068
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	19,585,934	11,011,599
3971	Gender and Youth	9,733,421	8,642,450
3972	Sports, Culture and Social Services	18,062,200	15,409,367
	TOTAL	2,558,185,904	1,444,983,610

Source: County Treasury

Development Absorption 2020-21FY

		<i>Approved Supplementary 3 Budget 2020/21FY Development</i>	<i>Annual Expenditure 2020/21 FY</i>	% Share of Annual Expenditure	Annual Absorption
	ENTITY				
3961	County Assembly	428,860,717	169,292,492	11.7%	39.5%
3962	County Executive	109,097,638	106,467,302	7.4%	97.6%
3963	Finance and Economic Planning	152,672,520	17,853,506	1.2%	11.7%
3964	Agriculture, Livestock and Fisheries	546,599,715	169,446,425	11.7%	31.0%
3965	Environment, Water and Natural Resources	105,800,000	83,902,956	5.8%	79.3%
3966	Education	54,538,344	30,936,429	2.1%	56.7%
3967	County Health Services	556,554,955	462,861,490	32.0%	83.2%
3968	Lands, Housing and Urban Development	164,999,831	42,716,526	3.0%	25.9%
3969	Transport and Infrastructure	391,680,630	326,443,068	22.6%	83.3%
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	19,585,934	11,011,599	0.8%	56.2%
3971	Gender and Youth	9,733,421	8,642,450	0.6%	88.8%
3972	Sports, Culture and Social Services	18,062,200	15,409,367	1.1%	85.3%
	TOTAL	2,558,185,904	1,444,983,610	100.0%	56.5%

Source: County Treasury

Departments of Gender & Youth recorded 88% absorption rates. Others with high absorption includes; Health services and Transport with 83.2% and 83.3% respectively.

Development Absorption comparison between 2019-20 and 2020-21 Financial Years

		Development Expenditure 2020-21 FY	Development Expenditure 2019/20FY
3961	County Assembly	169,292,492	10,031,216
3962	County Executive	106,467,302	143,161,479
3963	Finance and Economic Planning	17,853,506	15,957,328
3964	Agriculture, Livestock and Fisheries	169,446,425	213,385,972
3965	Environment, Water and Natural Resources	83,902,956	31,555,188
3966	Education	30,936,429	34,503,298
3967	County Health Services	462,861,490	358,388,337
3968	Lands, Housing and Urban Development	42,716,526	50,998,100
3969	Transport and Infrastructure	326,443,068	202,383,029
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	11,011,599	42,912,130
3971	Gender and Youth	8,642,450	29,388,181
3972	Sports, Culture and Social Services	15,409,367	-
	TOTAL	1,444,983,610.00	1,132,664,258

Source: County Treasury

2020-21FY has posted an increased overall absorption in development expenditure by 27% compared to same period in 2019-20FY.

