

COUNTY GOVERNMENT OF KIRINYAGA



DEPARTMENT OF FINANCE & ECONOMIC PLANNING

Annual Budget Implementation Review Report (ABIRR)

FY 2022/23

Contents

EXECUTIVE SUMMARY:.....	2
1. INTRODUCTION	3
Legal basis for preparation of quarterly reports	3
2. REVENUE ANALYSIS.....	4
OWN SOURCE REVENUE.....	5
3. EXPENDITURE ANALYSIS	7
RECURRENT EXPENDITURE	9
DEVELOPMENT EXPENDITURE.....	11

LIST OF TABLES

Table 2.1 Approved revenue estimates	4
Table 2.2 Own Source Revenue Performance	6
Table 3.1 Approved Budget Estimates.....	8
Table 3.2 Recurrent Expenditure by Department.....	9
Table 3.3 Recurrent Expenditure for 2022/23 FY and 2021/22FY.....	10
Table 3.4 Development Expenditure by Department	11
Table 3.5 Development Expenditure for 2021-22 and 2022-23FY	12

LIST OF FIGURES

Figure 3.1 Recurrent Budget absorption rate	10
Figure 3.2 Development Budget Absorption 2022-23	12
Figure 3.3 Development budget vs expenditure 2022/23	13

EXECUTIVE SUMMARY:

This report provides performance in budget implementation by Kirinyaga County Government in FY 2022/2023. The performance is presented in two major sections; the revenue analysis section and the expenditure analysis part. In the revenue, the report details the total revenue collected in FY 2022/23 in the revenue streams and classifications. This part also indicates the current status of revenue collection target for the period under review. The second part analyses both the recurrent and development expenditure by the County Government entities during FY 2022/23.

The County Government's total approved budget for FY2022/23 second Supplementary amounts to Kshs. 7,032,508,973 with recurrent allocation of Kshs 4,847,449,050 and Development allocation of Kshs 2,185,059,923. Recurrent expenditure in the period under review amounted to **Kshs. 4,463,210,623** which represents 92.1% of recurrent budget. Development expenditure for the period under review amounted to **Kshs 1,623,493,781** which is 74.3% of development Budget.

Own Source Revenue target for Financial Year 2022/23 is Kshs. 550 Million. Own Source Revenue collected is Kshs 586,660,639. This indicates a performance of 107% on annual own source revenue targets. This collection is a 61% increase in OSR from 2021/22 total of Kshs. 363,259,624.

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 FY2022/23 Kirinyaga County Budget amounts to Kshs. 7,122,548,430 which will be financed as per the below resource envelope.

Table 2.1 Approved revenue estimates

Revenue Type	Approved Estimates
Equitable Share	5,196,177,952
Transforming Healthcare Systems for Universal Care Project (THSUCP) Roll-Over from FY 2021/2022	22,272,716
Allocation Financed by Grant from DANIDA to finance Universal Healthcare in Devolved System	13,642,875
Local Revenues	550,000,000
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP) Level 1 Grant (Roll-Over FY 2018/2019)	41,078,830
IDA-(World Bank Credit)(Kenya Urban Support Project (KUSP) UDG	2,339,915
World Bank (Finance Locally-Led Climate Program (FLLoCA) for County Climate Resilience Investment (CCRI) Grant	22,000,000
IDA- World Bank Credit (Kenya Urban Support Project (KUSP)-UIG 2021/22	51,104,534
IDA- (World Bank)Credit National Agricultural and Rural Inclusive Growth Project (NARIGP) FY2022/23	178,744,304
IDA- (World Bank)Credit National Agricultural Value Chain Development Project (NAVCDP) FY2022/23	70,000,000
Sweden- Agriculture Sector Development Support Programme (ASDSP II)	8,108,733
Rolled over Funds	877,039,114
TOTAL	7,032,508,973

Source: County Treasury

OWN SOURCE REVENUE

The County has a projected revenue target of Kshs. 550 Million in the FY 2022/23 Budget. During the year actual Own Source Revenue collected is Kshs 586,660,639. This indicates a performance of 107% on annual own source revenue targets. This collection is a 61% increase in OSR from FY 2021/22 total of Kshs. 363,259,624.

Table 2.2 Own Source Revenue Performance

REVENUE SOURCE	ANNUAL TARGET	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
Single Business Permit	76,356,354	4,213,164	5,136,322	78,621,784	20,302,636	108,273,906
Market Gate Fee	40,524,261	7,382,370	9,350,928	10,969,171	10,646,378	38,348,847
Produce Cess	12,256,000	1,220,390	1,257,930	1,745,430	1,570,130	5,793,880
Weights & Measures	2,125,032	220,600	148,920	456,330	1,071,280	1,897,130
Bus Park	20,253,352	4,249,640	4,110,310	4,365,130	4,459,620	17,184,700
Street Parking	12,683,830	872,230	849,920	2,602,070	2,003,570	6,327,790
Land Administration	21,500,874	789,700	831,200	4,234,700	2,010,200	7,865,800
Property Rates	32,981,914	1,336,741	2,298,265	34,511,687	7,216,918	45,363,611
Building Plan Approvals	20,000,000	3,022,973	2,463,143	2,518,707	2,898,137	10,902,960
Advertisement	10,652,957	897,000	559,000	7,703,500	4,165,900	13,325,400
Sublet Fees	2,594,354	-	216,000	3,355,000	1,541,000	5,112,000
House rents/stalls	8,500,000	989,100	1,635,200	2,233,860	1,829,200	6,687,360
Conservancy Fee	10,182,181	583,220	567,860	9,203,250	2,641,980	12,996,310
Quarries cess	5,000,000	555,700	487,100	659,300	1,034,000	2,736,100
Group Registration	1,288,466	181,100	223,300	242,400	245,400	892,200
Liquor License	40,056,617	94,000	1,485,880	48,603,400	7,529,400	57,712,680
Veterinary Services	5,169,506	1,235,365	1,315,120	2,007,450	1,778,812	6,336,747
Kamwetii ATC	3,502,600	1,595,030	561,275	659,462	1,986,710	4,802,478
Public Health Services	26,673,703	1,831,300	1,764,470	31,681,050	7,921,400	43,198,220
cooperative audit	300,000	-	-	374,220	141,750	515,970
Commission by payroll	3,000,000	-	-	2,211,802	835,155	3,046,957
Kerugoya Referral Hospital	130,024,241	22,051,548	36,629,141	38,360,493	48,357,401	145,398,583
Kimbimbi Hospital	35,000,000	3,456,397	5,202,714	7,935,696	8,124,487	24,719,294
Kianyaga Hospital	15,811,275	1,486,034	1,481,118	2,316,456	3,811,532	9,095,140
Sagana Hospital	13,562,485	1,379,539	1,851,538	2,228,465	2,667,034	8,126,576
TOTAL FY 2022/2023)	550,000,000	59,643,141	80,426,654	299,800,813	146,790,030	586,660,639

Source: County Treasury

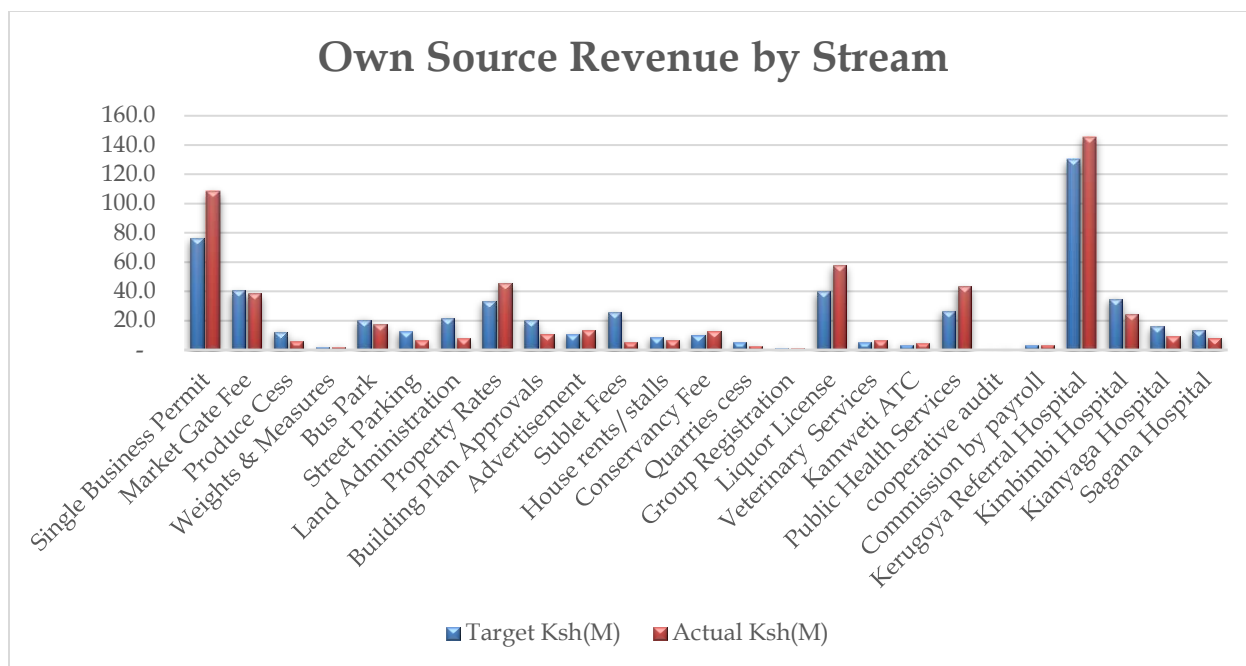


Figure 2.1 Own Source Revenue by Stream

3. EXPENDITURE ANALYSIS

The County Government's total approved budget for FY2022-23 in the second supplementary amounts to Kshs. 7,032,508,973 with recurrent allocation of Kshs 4,847,449,050 and Development allocation of Kshs 2,185,059,923.

FY 2022/23 Approved Budget Estimates

Table 3.1 Approved Budget Estimates

VOTE	ENTITY	Approved Budget FY2022/23 Recurrent	Approved Budget FY2022/23 Development	TOTAL
3961	County Assembly	681,635,622	60,417,240	742,052,862
3962	County Executive	525,484,508	193,228,291	718,712,799
3963	Finance and Economic Planning	606,852,670	19,210,510	626,063,180
3964	Agriculture, Livestock and Fisheries	231,686,389	315,162,993	546,849,382
3965	Environment, Water and Natural Resources	130,489,239	148,229,999	278,719,238
3966	Education	308,233,405	4,300,000	312,533,405
3967	County Health Services	2,116,310,238	782,650,068	2,898,960,306
3968	Lands, Housing and Urban Development	36,307,943	106,479,534	142,787,477
3969	Transport and Infrastructure	74,733,368	466,281,288	541,014,656
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	47,839,441	38,500,000	86,339,441
3971	Gender and Youth	51,668,210	42,133,334	93,801,544
3972	Sports, Culture and Social Services	36,208,017	8,466,666	44,674,683
	TOTAL	4,847,449,050	2,185,059,923	7,032,508,973

Source: County Treasury

RECURRENT EXPENDITURE

Total recurrent expenditure for 2022/23 FY amounted to Kshs. **4,463,210,623**

which represents 92.1% of the total recurrent budget estimates. Amongst the entities with high recurrent expenditure is the County Health services sector. Total recurrent expenditure for this sector in the period under review amounts to Kshs. 1,988,098,308. This indicates a 44.5% of the total recurrent expenditure in the county.

In the period under review, FY 2022/23 recorded a 2.9% increase in recurrent expenditure compared to FY2021/22.

Recurrent Expenditure per Department 2022/23 FY

Table 3.2 Recurrent Expenditure by Department

VOTE	ENTITY	FY 2022/23 Budget	Annual Expenditure 2022/23 FY
3961	County Assembly	681,635,622	624,393,860
3962	County Executive	525,484,508	479,146,201
3963	Finance and Economic Planning	606,852,670	558,456,812
3964	Agriculture, Livestock & Fisheries	231,686,389	180,761,436
3965	Environment, Water & Natural Resources	130,489,239	128,834,082
3966	Education	308,233,405	297,226,882
3967	County Health Services	2,116,310,238	1,988,098,308
3968	Lands, Housing & Urban Dev't	36,307,943	29,582,274
3969	Transport and Infrastructure	74,733,368	68,385,242
3970	Trade, Co-operatives, Tourism Industrialization & Enterprise Devt	47,839,441	36,689,377
3971	Gender and Youth	51,668,210	38,276,032
3972	Sports, Culture and Social Services	36,208,017	33,360,117
	TOTAL	4,847,449,050	4,463,210,623

Source: County Treasury

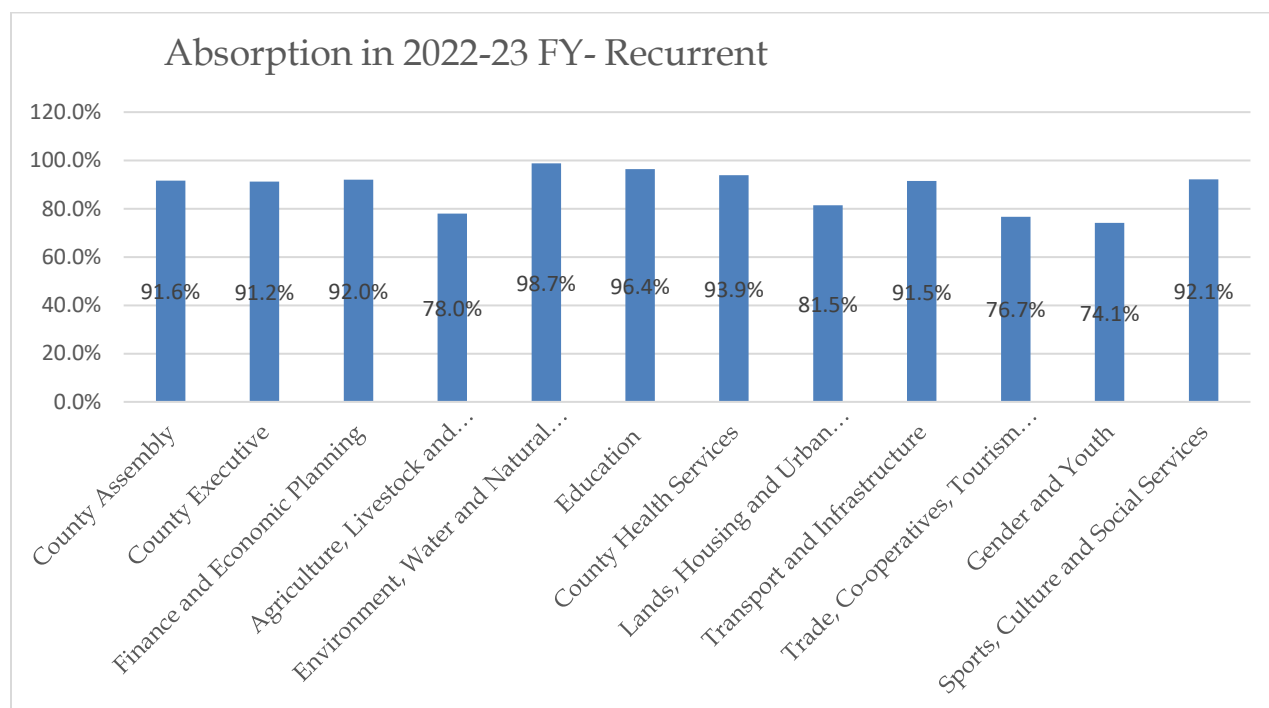


Figure 3.1 Recurrent Budget absorption rate

Comparative Recurrent Expenditure between FY 2022/23 and FY 2021/22

Table 3.3 Comparative Recurrent Expenditure between FY 2022/23 and FY 2021/22

VOTE	ENTITY	FY 2022-23	FY 2021-22
3961	County Assembly	624,393,860	637,393,331
3962	County Executive	479,146,201	457,680,239
3963	Finance and Economic Planning	558,456,812	534,047,060
3964	Agriculture, Livestock and Fisheries	180,761,436	240,499,025
3965	Environment, Water and Natural Resources	128,834,082	101,409,878
3966	Education	297,226,882	297,023,747
3967	County Health Services	1,988,098,308	1,865,342,094
3968	Lands, Housing and Urban Development	29,582,274	28,733,376
3969	Transport and Infrastructure	68,385,242	76,261,491
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	36,689,377	39,539,172
3971	Gender and Youth	38,276,032	37,519,994
3972	Sports, Culture and Social Services	33,360,117	20,475,111
	TOTAL	4,463,210,623	4,335,924,518

Source: County Treasury

DEVELOPMENT EXPENDITURE

Development expenditure for the period under review amounted to Kshs. **1,623,493,781**. This is 74.3% of approved budget estimates.

Table 3.4 Development Expenditure by Department

VOTE	ENTITY	Approved Budget 2022/23FY Development	Annual Expenditure 2022/23 FY
3961	County Assembly	60,417,240	38,351,286
3962	County Executive	193,228,291	178,976,684
3963	Finance and Economic Planning	19,210,510	16,934,240
3964	Agriculture, Livestock and Fisheries	315,162,993	312,324,177
3965	Environment, Water and Natural Resources	148,229,999	55,771,733
3966	Education	4,300,000	4,249,606
3967	County Health Services	782,650,068	527,722,511
3968	Lands, Housing and Urban Development	106,479,534	33,587,265
3969	Transport and Infrastructure	466,281,288	381,754,262
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	38,500,000	38,261,104
3971	Gender and Youth	42,133,334	28,447,659
3972	Sports, Culture and Social Services	8,466,666	7,113,254
	TOTAL	2,185,059,923	1,623,493,781

Source: County Treasury

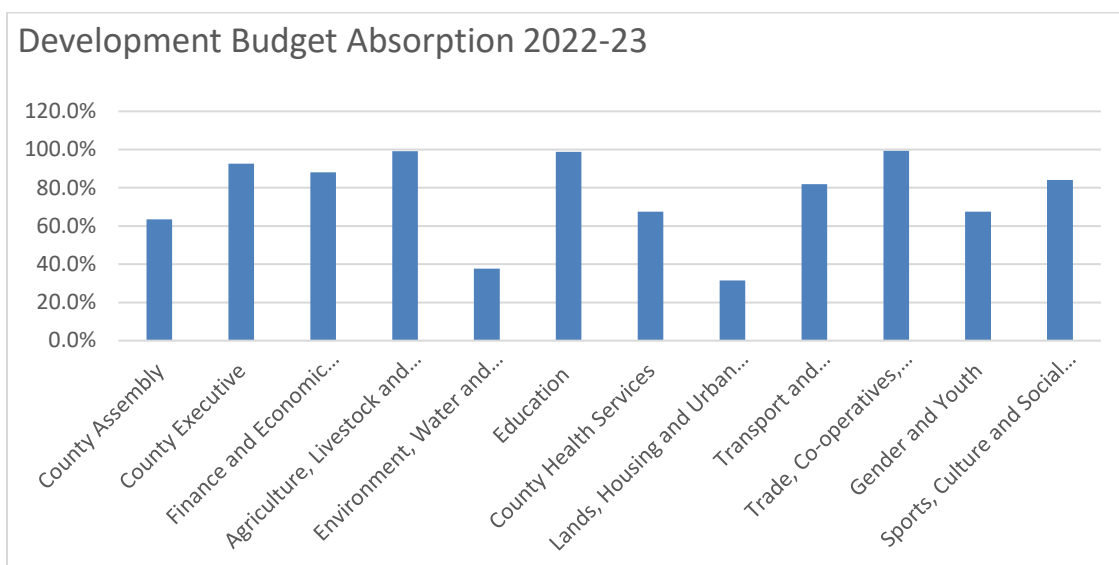


Figure 3.2 Development Budget Absorption 2022-23

Departments with high absorption on development include Agriculture, education, Trade.

Comparative Development Expenditure between FY 2021-22 & FY 2022-23

Table 3.5 Comparative Development Expenditure between FY 2021-22 & FY2022-23

	ENTITY	FY 2022-23 FY	FY 2021-22
3961	County Assembly	38,351,286	302,096,005
3962	County Executive	178,976,684	78,638,811
3963	Finance & Economic Planning	16,934,240	998,600
3964	Agriculture, Livestock & Fisheries	312,324,177	286,382,771
3965	Environment, Water & Natural Resources	55,771,733	21,120,722
3966	Education	4,249,606	6,629,963
3967	County Health Services	527,722,511	532,488,870
3968	Lands, Housing & Urban Development	33,587,265	6,000,000
3969	Transport & Infrastructure	381,754,262	454,989,160
3970	Trade, Co-operatives, Tourism Industrialization & Enterprise Development	38,261,104	5,020,958
3971	Gender & Youth	28,447,659	2,493,764
3972	Sports, Culture and Social Services	7,113,254	3,723,844
	TOTAL	1,623,493,781.00	1,700,583,468

Source: County Treasury

Development expenditure slowed down by 5% from 1.7 Billion in 2021/22 to 1.623 Billion in 2022/23.

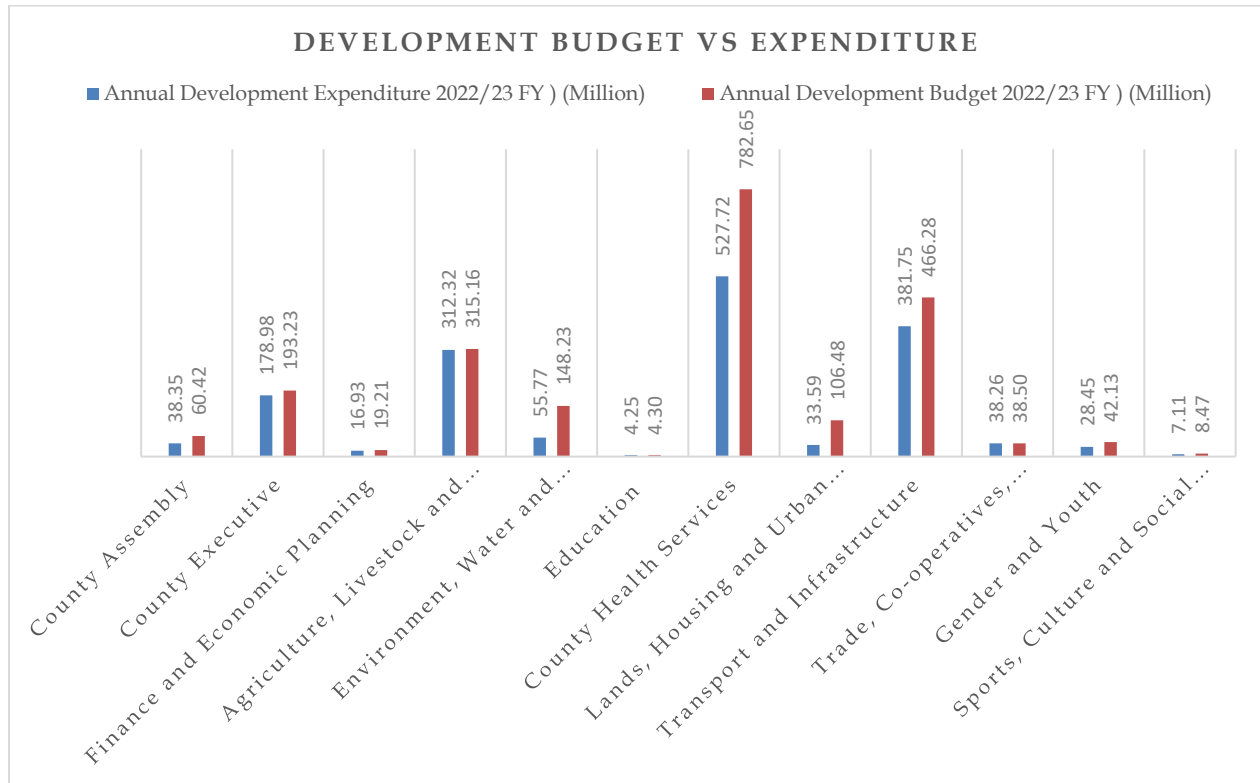


Figure 3.3 Development budget vs expenditure 2022/23