

COUNTY GOVERNMENT OF KIRINYAGA



DEPARTMENT OF FINANCE & ECONOMIC PLANNING

2nd Quarter Budget Implementation Review Report

(BIRR)

FY 2022/23

EXECUTIVE SUMMARY:

This report shows performance in budget implementation by County Government entities for the first half of FY 2022-23. 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 half of FY 2022/23 in the revenue streams and classifications. This part also indicates the current status of revenue collection target for the quarter. The second part analyses both the recurrent and development expenditure by the County Government entities during the first six months of FY 2022-23.

The County Government's total approved budget for FY 2022-23 Supplementary 1 amounts to KES.7,122,548,430 Recurrent allocation of KES. 4,926,920,299 and Development allocation of KES 2,195,628,131. In the half year period July 2022 to December 2022, recurrent expenditure amounted to **KES. 1,410,774,007** which represents 29% of recurrent budget. Development expenditure for the period under review amounted to **KES 384,287,360** which is 17.5% of development Budget.

Own Source Revenue target for Financial Year 2021/22 is KES. 550 Million. Revenue collected in the first half of 2022/23FY amounted to KES 139,176,495. This represents 25% of total 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 FY 2022/23 Kirinyaga County Budget amounts to KES. 7,122,548,430 which will be financed as per the below resource envelope.

DESCRIPTION	SUPPLEMENTARY BUDGET NO.1 FY 2022/23
	KES
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	8,937,800
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
World Bank (Finance Locally-Led Climate Program (FLLoCA) for County Climate Resilience Investment (CCRI) Grant	22,000,000
IDA- (Kenya Urban Support Project (KUSP)-UIG	51,104,534
IDA- (World Bank)Credit National Agricultural and Rural Inclusive Growth Project (NARIGP) FY2022/23	344,612,512
Sweden- Agriculture Sector Development Support Programme (ASDSP II)	9,324,972
Rolled over Funds	877,039,114
TOTAL REVENUE	7,122,548,430

Source: County Treasury

OWN SOURCE REVENUE

The County has a projected revenue target of KES. 550 Million in the FY 2022/23 Budget. During the first half of the year, July- December, the actual Own Source Revenue collected is KES 139,176,495. This indicates a performance of 25% on annual own source revenue targets. In the same period in the FY2021/22 the county had collected KES. 166,988,502 hence a decrease in own source revenue collection by 17%.

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REVENUE SOURCE	ANNUAL TARGET	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL FY 2022-23
Single Business Permit	76,356,354	1,800,102	1,056,081	1,356,981	1,503,462	2,560,466	1,072,394	9,349,486
Market Gate Fee	40,524,261	2,501,300	2,502,450	2,378,620	3,349,399	2,337,310	3,664,219	16,733,298
Produce Cess	12,256,000	478,270	391,690	350,430	390,650	400,450	466,830	2,478,320
Weights & Measures	2,125,032	105,600	39,000	76,000	65,000	49,440	34,480	369,520
Bus Park	20,253,352	1,446,980	1,370,500	1,432,160	1,377,730	1,410,080	1,322,500	8,359,950
Street Parking	15,683,830	297,180	296,490	278,560	261,870	326,750	261,300	1,722,150
Land Administration	21,500,874	294,600	241,900	253,200	381,300	235,600	214,300	1,620,900
Property Rates	32,981,914	29,200	693,403	614,138	948,115	632,828	717,322	3,635,006
Building Plan Approvals	20,000,000	888,041	1,233,352	901,580	775,518	1,108,859	578,766	5,486,116
Advertisement	10,652,957	645,000	119,500	132,500	164,500	323,000	71,500	1,456,000
Sublet Fees	2,594,354	-	-	-	89,000	98,000	29,000	216,000
House rents/stalls	8,500,000	-	35,400	45,400	687,400	563,600	399,200	1,731,000
Conservancy Fee	10,182,181	249,830	140,170	193,220	212,400	258,010	97,450	1,151,080
Quarries	5,000,000	157,100	180,500	218,100	202,500	163,500	121,100	1,042,800
Group Registration	1,288,466	49,100	63,300	68,700	65,300	89,500	68,500	404,400
Liquor License	40,056,617	89,000	3,000	2,000	515,080	804,000	166,800	1,579,880
Veterinary Services	5,169,506	407,350	411,865	416,150	395,160	416,150	503,810	2,550,485
Kamweti ATC	3,502,600	1,323,600	140,700	130,730	210,546	203,007	147,722	2,156,305
Public Health Services	26,973,703	723,500	563,100	544,700	650,570	776,200	337,700	3,595,770
Kerugoya Referral Hospital	130,024,241	3,445,300	10,273,030	8,333,218	15,214,428	11,362,263	10,052,450	58,680,689
Kimbimbi Hospital	35,000,000	1,112,000	1,128,780	1,215,617	2,584,157	975,167	1,643,390	8,659,111
Kianyaga Hospital	15,811,275	495,700	410,610	579,724	516,004	682,264	282,850	2,967,152
Sagana Hospital	13,562,485	494,400	420,300	464,839	1,095,364	502,454	253,720	3,231,077
TOTAL FY 2022/2023)	550,000,000	17,033,153	21,715,121	19,986,567	31,655,453	26,278,898	22,507,303	139,176,495

Source: County Treasury

3. EXPENDITURE ANALYSIS

The County Government total approved FY 2022/23 budget amounts to KES. 7,122,548,430. This includes development allocation of KES. 2,195,628,131 and recurrent allocation of KES 4,926,920,299.

FY 2022/23 Approved Budget Estimates

VOTE	ENTITY	Approved Budget 2022/22FY Recurrent	Approved Budget 2022/23FY Development	TOTAL
3961	County Assembly	681,635,622	38,417,240	720,052,862
3962	County Executive	548,984,508	251,446,624	800,431,132
3963	Finance and Economic Planning	608,652,670	19,210,510	627,863,180
3964	Agriculture, Livestock and Fisheries	232,902,628	420,106,201	653,008,829
3965	Environment, Water and Natural Resources	130,489,239	72,836,666	203,325,905
3966	Education	388,233,405	4,300,000	392,533,405
3967	County Health Services	2,111,605,163	782,650,068	2,894,255,231
3968	Lands, Housing and Urban Development	33,968,028	78,079,534	112,047,562
3969	Transport and Infrastructure	74,733,368	464,481,288	539,214,656
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	42,839,441	13,500,000	56,339,441
3971	Gender and Youth	51,668,210	42,133,334	93,801,544
3972	Sports, Culture and Social Services	21,208,017	8,466,666	29,674,683
	TOTAL	4,926,920,299	2,195,628,131	7,122,548,430

Source: County Treasury

Recurrent Expenditure

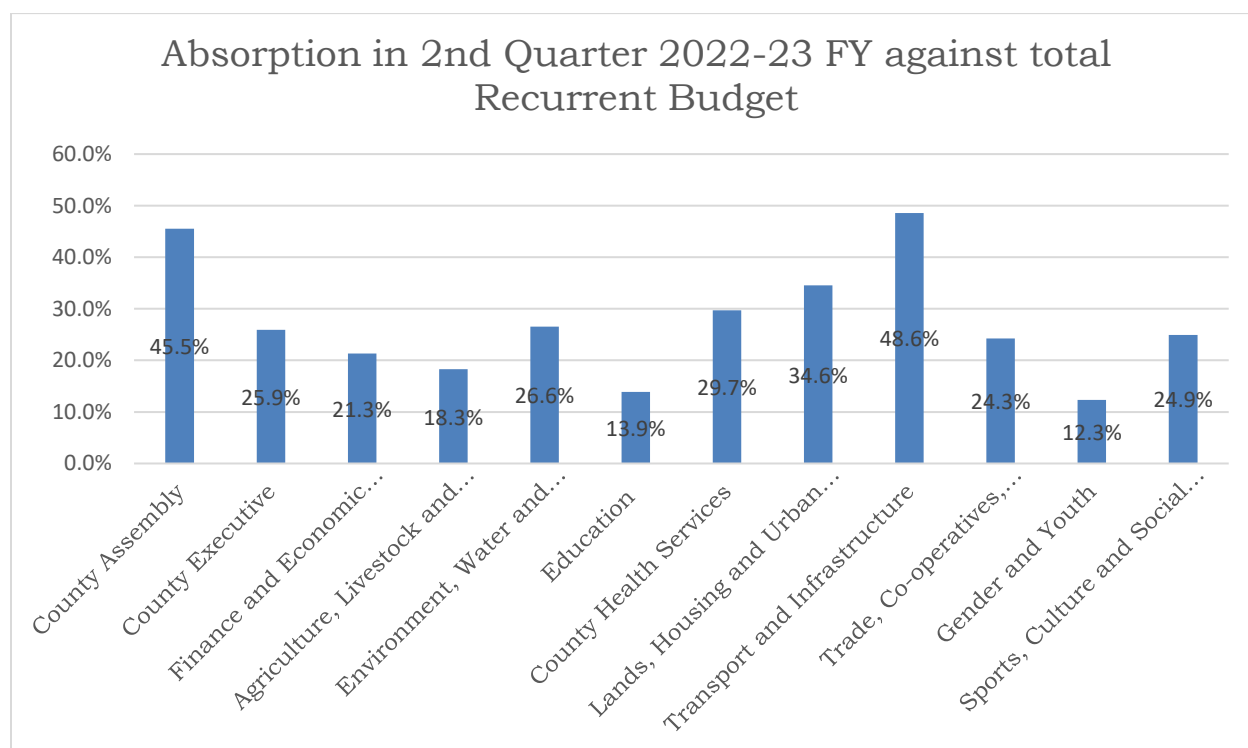
Total cumulative recurrent expenditure for Q2 of FY 2022/23 amounted to KES. **1,410,774,007** which represents 28.6% of the total recurrent budget estimates. The major contributor to the first quarter expenditure is the County Health services sector. Total Q2 recurrent expenditure for this sector amounts to KES. 626,996,611. This indicates a 44.4% of the total Q2 recurrent expenditure in the county. This also represents a 29.7% expenditure against total approved recurrent expenditure for this department.

The second quarter for FY 2022/23 has recorded a KES 873,290,775 (38%) decrease in recurrent expenditure compared to a similar period in 2021/22FY.

Recurrent Q2 Cumulative Expenditure per Department FY 2022/23

VOTE	ENTITY	Budget FY 2022/23 Recurrent	2nd Quarter Expenditure FY 2022/23
3961	County Assembly	681,635,622	310,315,229
3962	County Executive	548,984,508	142,403,794
3963	Finance and Economic Planning	608,652,670	129,888,476
3964	Agriculture, Livestock and Fisheries	232,902,628	42,534,451
3965	Environment, Water and Natural Resources	130,489,239	34,671,254
3966	Education	388,233,405	53,868,347
3967	County Health Services	2,111,605,163	626,996,611
3968	Lands, Housing and Urban Development	33,968,028	11,739,484
3969	Transport and Infrastructure	74,733,368	36,314,099
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	42,839,441	10,394,370
3971	Gender and Youth	51,668,210	6,364,630
3972	Sports, Culture and Social Services	21,208,017	5,283,262
	TOTAL	4,926,920,299	1,410,774,007

Source: County Treasury



Comparison between expenditures in Q2 for FY 2022/23 and 2021/22FY

ENTITY	Q2 Recurrent Expenditure 2022-23 FY	Q2 Recurrent Expenditure 2021-22
County Assembly	310,315,229	333,840,834
County Executive	142,403,794	232,430,074
Finance and Economic Planning	129,888,476	219,375,862
Agriculture, Livestock and Fisheries	42,534,451	82,064,847
Environment, Water and Natural Resources	34,671,254	59,536,813
Education	53,868,347	242,097,266
County Health Services	626,996,611	1,018,273,662
Lands, Housing and Urban Development	11,739,484	15,645,358
Transport and Infrastructure	36,314,099	39,183,657
Trade, Co-operatives, Tourism Industrialization and Enterprise Development	10,394,370	18,205,202
Gender and Youth	6,364,630	14,866,296
Sports, Culture and Social Services	5,283,262	8,544,911
TOTAL	1,410,774,007	2,284,064,782

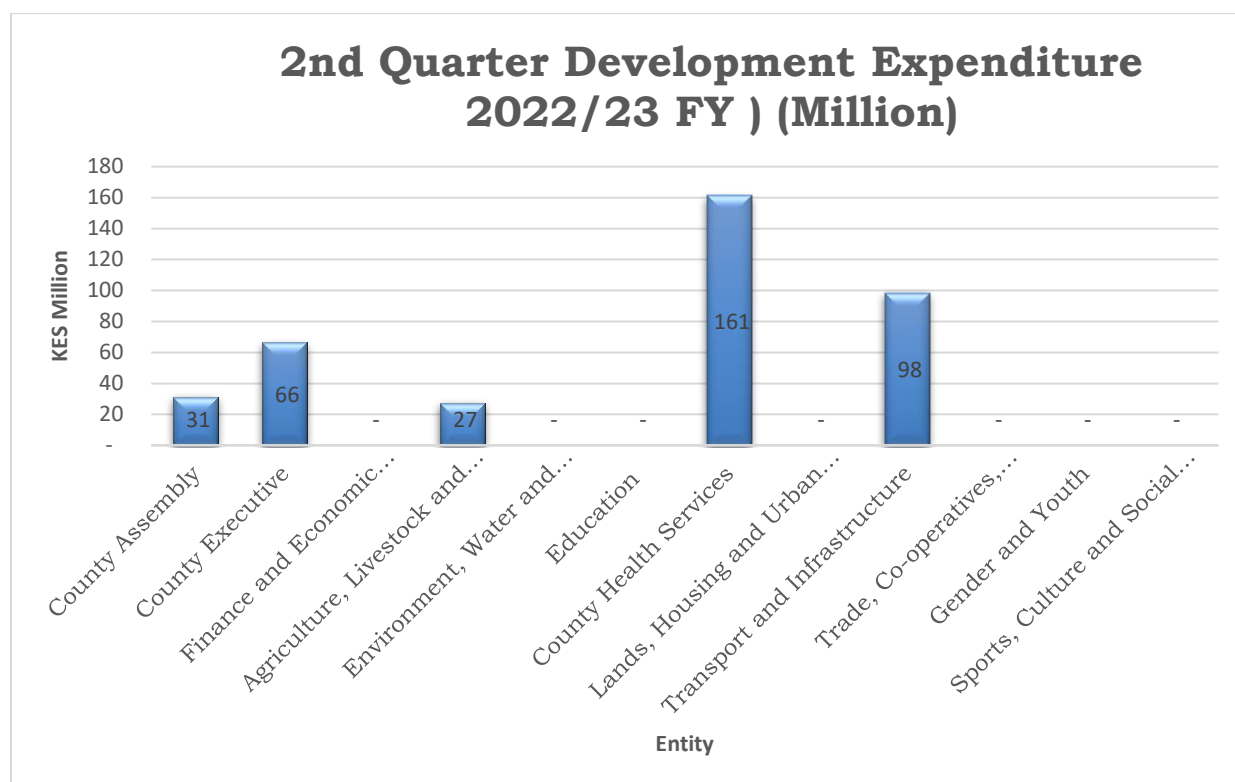
Source: County Treasury

Development Expenditure

Development expenditure for the period under review amounted to KES. **384,287,360**. This is a decrease in expenditure compared to a similar period in 2021/22FY which recorded development expenditure amounting to KES 508,383,831.

VOTE	ENTITY	Approved Budget 2022/23FY Development	2nd Quarter Expenditure FY 2022/23
3961	County Assembly	38,417,240	31,205,899
3962	County Executive	251,446,624	66,391,923
3963	Finance and Economic Planning	19,210,510	-
3964	Agriculture, Livestock and Fisheries	420,106,201	27,156,162
3965	Environment, Water and Natural Resources	72,836,666	-
3966	Education	4,300,000	-
3967	County Health Services	782,650,068	161,244,002
3968	Lands, Housing and Urban Development	78,079,534	-
3969	Transport and Infrastructure	464,481,288	98,289,374
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	13,500,000	-
3971	Gender and Youth	42,133,334	-
3972	Sports, Culture and Social Services	8,466,666	-
	TOTAL	2,195,628,131	384,287,360

Source: County Treasury



Comparison on Development Expenditure for 2021-22 and FY 2022-23

VOTE	ENTITY	Q2 Development Expenditure 2022-23 FY	Q2 Development Expenditure 2021-22 FY
3961	County Assembly	31,205,899	155,128,495
3962	County Executive	66,391,923	20,863,317
3963	Finance and Economic Planning	-	-
3964	Agriculture, Livestock and Fisheries	27,156,162	8,565,000
3965	Environment, Water and Natural Resources	-	13,990,762
3966	Education	-	1,997,058
3967	County Health Services	161,244,002	162,340,857
3968	Lands, Housing and Urban Development	-	1,500,000
3969	Transport and Infrastructure	98,289,374	142,863,460
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	-	1,134,882
3971	Gender and Youth	-	-
3972	Sports, Culture and Social Services	-	-
	TOTAL	384,287,360	508,383,831

Source: County Treasury