

COUNTY GOVERNMENT OF KIRINYAGA



DEPARTMENT OF FINANCE & ECONOMIC PLANNING

First Quarter Budget Execution Report

(July- September)

FY 2024/25

County Treasury

Kirinyaga County

P.O. Box 260 – 10034

KUTUS, KENYA

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EXECUTIVE SUMMARY

This report shows performance in budget implementation by County Government entities for first quarter of 2024-25 FY. The report covers two major sections; the revenue analysis section and the expenditure analysis. In the revenue, the report details the total revenue collected for the first quarter 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 three months of 2024-25 FY.

The County Government's total approved budget for 2024-25 FY amounts to KShs 8,079,166,940 Recurrent allocation of Ksh 5,050,287,399 and Development allocation of Ksh 3,028,879,541. In the period under review, recurrent expenditure amounted to KShs. 587,474,029 which represents 11.6 % of recurrent budget. Development expenditure for the period under review amounted to Kshs 378,499,763.

Own Source Revenue target for Financial Year 2023/24 is Kshs. 650,000,000. Revenue collected in the first quarter amounted to Kshs. 110,199,750.00. This represents 17% of total 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 2024/25 FY Kirinyaga County Budget amounts to KShs. 8,079,166,940 which will be financed as per Table 2.1 below.

Table 2.1 Resource Envelop 2024/25FY

DESCRIPTION	APPROVED BUDGET FY 2024/2025
	KES
Equitable Share	5,633,619,143
Allocation of Roads Maintenance Fuel Levy Fund(RMLF)	194,894,333
Delayed Exchequer June 2024	433,617,400
Allocation Financed by Grant from DANIDA to finance Universal Healthcare in Devolved System	6,532,500
Revenue	
Ordinary revenue	410,451,000
A-i-A in respect to County Health Services (Facility Improvement Fund)	200,000,000
(A-i-A) Revenue from Alcoholic Drinks licensing	14,549,000
(A-i-A)Revenue raised from Kamweti Agricultural Training Center	25,000,000
International Fund for Agricultural Development (IFAD) Aquaculture Business Development Project (ABDP)	13,779,259
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP II) Level 1 Grant	37,500,000
IDA-(World Bank Credit)(Kenya Urban Support Project (KUSP) UDG	35,000,000
IDA- (World Bank)Credit National Agricultural Value Chain Development Project (NAVCDP) FY2022/23	151,515,152
Allocation from the National Government for Community Health Promoters (CHPs) Project	36,660,000
IDA(World Bank) Credit Allocation for Kenya Water, Sanitation and Hygiene (K-WASH) Program	366,729,808
Rolled over Funds	519,319,345
TOTAL REVENUES	8,079,166,940

Source: County Treasury

Own Source Revenue

The County has a projected own source revenue target of KShs 650 Million in the FY 2024/25 Budget. During the first quarter period July-September the actual Own Source Revenue collected was Kshs 110,199,750. This indicates a performance of 17% on annual own source revenue targets. This first quarter performance indicates 18% increase in collection from a similar period in 2023/24.

Table 2.2 Own Source Revenue by Stream

OWN SOURCE REVENUE MOBILIZATION REPORT 2024/2025 FY							
DEPARTMENT (1)	REVENUE SOURCE (2)	ANNUAL TARGET (3)	JULY (4)	AUGUST (5)	SEPTEMBER (6)	TOTAL OSR MOBILIZED AS AT 1ST QUARTER (7)	% MOBILIZED (8)
<u>OWN SOURCE REVENUE</u>							
TRADE	Single Business Permit	130,000,000.00	2,916,440.00	1,231,012.00	835,992.00	4,983,444.00	4%
TRADE	Market Gate Fee	36,000,000.00	2,639,015.00	3,184,106.00	2,816,971.00	8,640,092.00	24%
TRADE	Produce Cess	6,000,000.00	436,381.00	567,740.00	473,890.00	1,478,011.00	25%
TRADE	Weights & Measures	6,000,000.00	79,800.00	143,000.00	116,213.00	339,013.00	6%
TRADE	Stalls rent	5,000,000.00	274,300.00	145,500.00	414,200.00	834,000.00	17%
TRADE	Advertisement	25,000,000.00	1,557,000.00	431,000.00	339,500.00	2,327,500.00	9%
TRADE	Sublet Fees	4,000,000.00	-	-	-	-	0%
TRADE	cooperative audit	500,000.00	39,900.00	-	-	39,900.00	8%
TRANSPORT	Bus Park	30,000,000.00	2,483,350.00	1,746,800.00	1,798,350.00	6,028,500.00	20%
TRANSPORT	Street Parking	18,000,000.00	980,932.00	1,140,100.00	883,320.00	3,004,352.00	17%
TRANSPORT	House rents	4,451,000.00	466,300.00	284,600.00	303,500.00	1,054,400.00	24%
LANDS	Land Administration	10,000,000.00	506,200.00	554,500.00	468,500.00	1,529,200.00	15%
LANDS	Property Rates	35,000,000.00	1,556,402.00	860,966.00	785,875.00	3,203,243.00	9%

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LANDS	Building Plan Approvals	20,000,000.00	2,032,650.00	2,383,850.00	2,529,950.00	6,946,450.00	35%
LANDS	Fire Compliance	5,000,000.00	118,500.00	154,000.00	90,000.00	362,500.00	7%
ENVIRONM NT	Conservancy Fee	14,000,000.00	408,430.00	274,910.00	449,240.00	1,132,580.00	8%
ENVIRONM NT	Quarries cess	5,000,000.00	136,500.00	126,500.00	102,000.00	365,000.00	7%
GENDER	Group Registration	1,000,000.00	64,300.00	51,800.00	39,900.00	156,000.00	16%
AGRICULTU RE	Veterinary Services	10,000,000.00	568,100.00	547,170.00	490,100.00	1,605,370.00	16%
AGRICULTU RE	coffee licences	500,000.00	10,000.00	-	100.00	10,100.00	2%
ADMINSTRA TION	Commission by payroll	3,000,000.00	251,009.00	257,689.00	253,455.00	762,153.00	25%
HEALTH	Public Health Services	42,000,000.00	1,090,500.00	750,000.00	520,400.00	2,360,900.00	6%
SUB -TOTAL I		410,451,000.00	18,616,009.00	14,835,243.00	13,711,456.00	<u>47,162,708.00</u>	11%
<u>FACILITY IMPROVEMENT FUND</u>							
HEALTH	Kerugoya Referral Hospital	148,000,000.00	20,971,582.00	19,142,873.00	8,904,514.00	49,018,969.00	33%
HEALTH	Kimbimbi Hospital	25,000,000.00	1,378,676.00	2,341,057.00	2,140,411.00	5,860,144.00	23%
HEALTH	Kianyaga Hospital	10,000,000.00	877,260.00	879,519.00	900,727.00	2,657,506.00	27%
HEALTH	Sagana Hospital	9,500,000.00	727,925.00	641,559.00	694,316.00	2,063,800.00	22%
HEALTH	dispensaries	7,500,000.00	1,265,830.00	345,250.00	318,450.00	1,929,530.00	26%
SUB -TOTAL II		200,000,000.00	25,221,273.00	23,350,258.00	12,958,418.00	<u>61,529,949.00</u>	31%
<u>OTHER FUNDS</u>							
SPORTS&CU LTURE	(A-i-A) Revenue Alcoholic Drinks licensing	14,549,000.00	803,000.00	210,000.00	106,000.00	1,119,000.00	8%
AGRICULTU RE	(A-i-A)Revenue Kamweti Traning Center	25,000,000.00	156,476.00	137,262.00	94,355.00	388,093.00	2%
SUB TOTAL III		39,549,000.00	959,476.00	347,262.00	200,355.00	<u>1,507,093.00</u>	4%

GRAND TOTAL FY 2024/2025)	650,000,000.00	44,796,758.00	38,532,763.00	26,870,229.00	110,199,750.00	17%
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Source: County Treasury

First Quarter Own Source Revenue trend for previous Financial Years

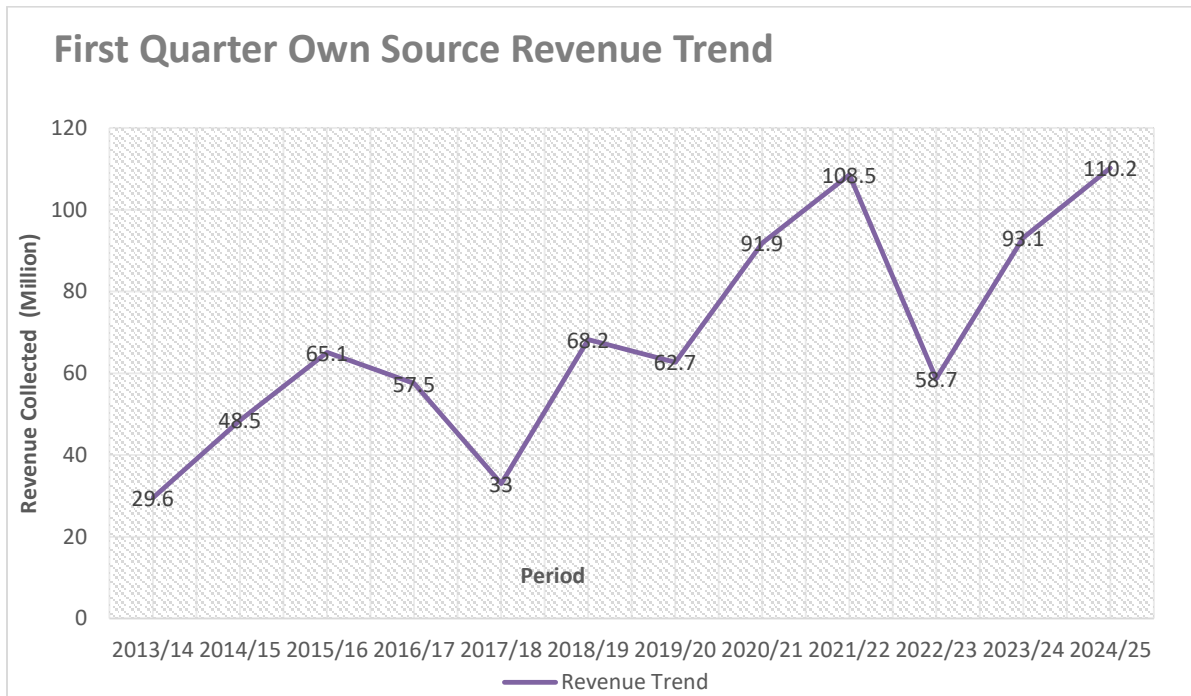


Figure 2.1 First Quarter Own Source Revenue Trend

Own Source Revenue performance for the first quarter of 2024/25FY indicated 18% increase in collection from a similar period in 2023/24.

3. EXPENDITURE ANALYSIS

The County Government total approved 2024/25 FY budget amounts to KShs. 8,079,166,940. This includes development allocation of KShs. 3,028,879,541 and recurrent allocation of Kshs 5,050,287,399.

2024/25 FY Approved Budget Estimates

Table 3.1 Approved Budget Estimates 2024/25

VOTE	ENTITY	Approved Budget	Approved Budget	TOTAL

		2024/25FY Recurrent	2023/24FY Development	
3961	County Assembly	705,609,542	146,842,040	852,451,582
3962	County Executive	522,064,569	6,000,000	528,064,569
3963	Finance and Economic Planning	660,640,863	145,764,035	806,404,898
3964	Agriculture, Livestock and Fisheries	212,609,148	219,453,971	432,063,119
3965	Environment, Water and Natural Resources	135,882,799	644,625,766	780,508,565
3966	Education	391,844,905	65,831,052	457,675,957
3967	County Health Services	2,180,798,509	570,565,236	2,751,363,745
3968	Lands, Housing and Urban Development	34,468,028	108,530,548	142,998,576
3969	Transport and Infrastructure	77,153,368	591,960,863	669,114,231
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	48,339,441	407,353,872	455,693,313
3971	Gender and Youth	43,668,210	77,571,020	121,239,230
3972	Sports, Culture and Social Services	37,208,017	44,381,138	81,589,155
	TOTAL	5,050,287,399	3,028,879,541	8,079,166,940

Source: County Treasury

Recurrent Expenditure

Total recurrent expenditure for first quarter of 2024/25 FY amounted to KShs. 587,474,029 which represents 11.6% of the total recurrent budget estimates. The major contributor to the first quarter expenditure is the County Health services sector. Total first quarter recurrent expenditure for this sector amounts to KShs. 218,225,682. This indicates a 37.1% of the total first quarter recurrent expenditure in the county. This also represents a 10% expenditure against total approved recurrent expenditure for this sector. Other high contributors to first quarter recurrent expenditure includes; Finance and economic Planning 19.6%, County Assembly 14.7%.

First Quarter Recurrent Expenditure per Department 2024/25 FY

Table 3.2 Recurrent Expenditure first quarter 2024/25

VOTE	ENTITY	Budget 2024/25 FY Recurrent	1st Quarter Expenditure 2024/25 FY
3961	County Assembly	705,609,542	86,631,216
3962	County Executive	522,064,569	47,523,987
3963	Finance and Economic Planning	660,640,863	114,878,774
3964	Agriculture, Livestock and Fisheries	212,609,148	36,554,720
3965	Environment, Water and Natural Resources	135,882,799	29,759,729
3966	Education	391,844,905	31,020,989
3967	County Health Services	2,180,798,509	218,225,682
3968	Lands, Housing and Urban Development	34,468,028	1,242,395
3969	Transport and Infrastructure	77,153,368	6,892,078
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	48,339,441	4,085,353
3971	Gender and Youth	43,668,210	7,734,873
3972	Sports, Culture and Social Services	37,208,017	2,924,233
	TOTAL	5,050,287,399	587,474,029

Source: County Treasury

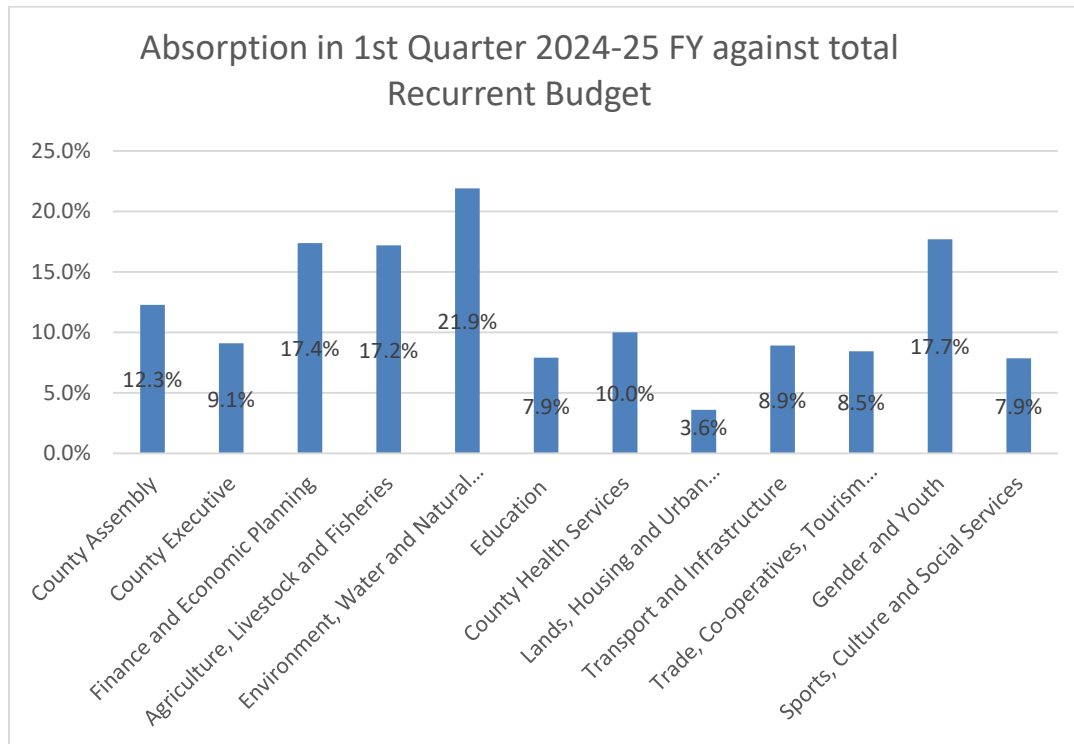


Figure 3.1 Recurrent Absorption Rates First Quarter 2024/25

Recurrent budget absorption for the first quarter was high in environment, water, natural resources at 21.9%

Comparison between expenditures in first quarter for 2023/24 FY and 2024/25 FY

Table 3.3 Comparison Recurrent Expenditure for 2023/24 and 2024/25

ENTITY	Q1 Recurrent Expenditure 2023-24 FY	Q1 Recurrent Expenditure 2024-25
County Assembly	189,728,554	86,631,216
County Executive	91,579,239	47,523,987
Finance and Economic Planning	198,672,966	114,878,774
Agriculture, Livestock and Fisheries	48,089,896	36,554,720
Environment, Water and Natural Resources	31,128,300	29,759,729
Education	33,655,489	31,020,989
County Health Services	443,931,996	218,225,682

Lands, Housing and Urban Development	2,962,293	1,242,395
Transport and Infrastructure	17,561,666	6,892,078
Trade, Co-operatives, Tourism Industrialization and Enterprise Development	8,558,499	4,085,353
Gender and Youth	9,665,878	7,734,873
Sports, Culture and Social Services	7,406,990	2,924,233
TOTAL	1,082,941,766.00	587,474,028.72

Source: County Treasury

Recurrent expenditure for first quarter of 2024/25 is at 587.47 Million, an absorption performance of 11.6% of total recurrent budget. This indicates a 46% decrease in absorption from a similar period in 2023/24.

Development Expenditure

Development expenditure for the period under review amounted to Kshs. 378,499,763. This is a 83% increase in expenditure compared to a similar period in 2023/24FY which recorded development expenditure amounting to Kshs 206,407,487.

Table 3.4 First Quarter Development Expenditure by Department 2024/25FY

VOTE	ENTITY	Approved Budget 2024/25FY Development	1st Quarter Expenditure 2024/25 FY
3961	County Assembly	146,842,040	-
3962	County Executive	6,000,000	-
3963	Finance and Economic Planning	145,764,035	-
3964	Agriculture, Livestock and Fisheries	219,453,971	-
3965	Environment, Water and Natural Resources	644,625,766	163,291,006
3966	Education	65,831,052	13,169,736
3967	County Health Services	570,565,236	7,860,776
3968	Lands, Housing and Urban Development	108,530,548	10,888,000

3969	Transport and Infrastructure	591,960,863	96,196,832
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	407,353,872	63,827,255
3971	Gender and Youth	77,571,020	3,637,020
3972	Sports, Culture and Social Services	44,381,138	19,629,138
	TOTAL	3,028,879,541	378,499,763

Source: County Treasury

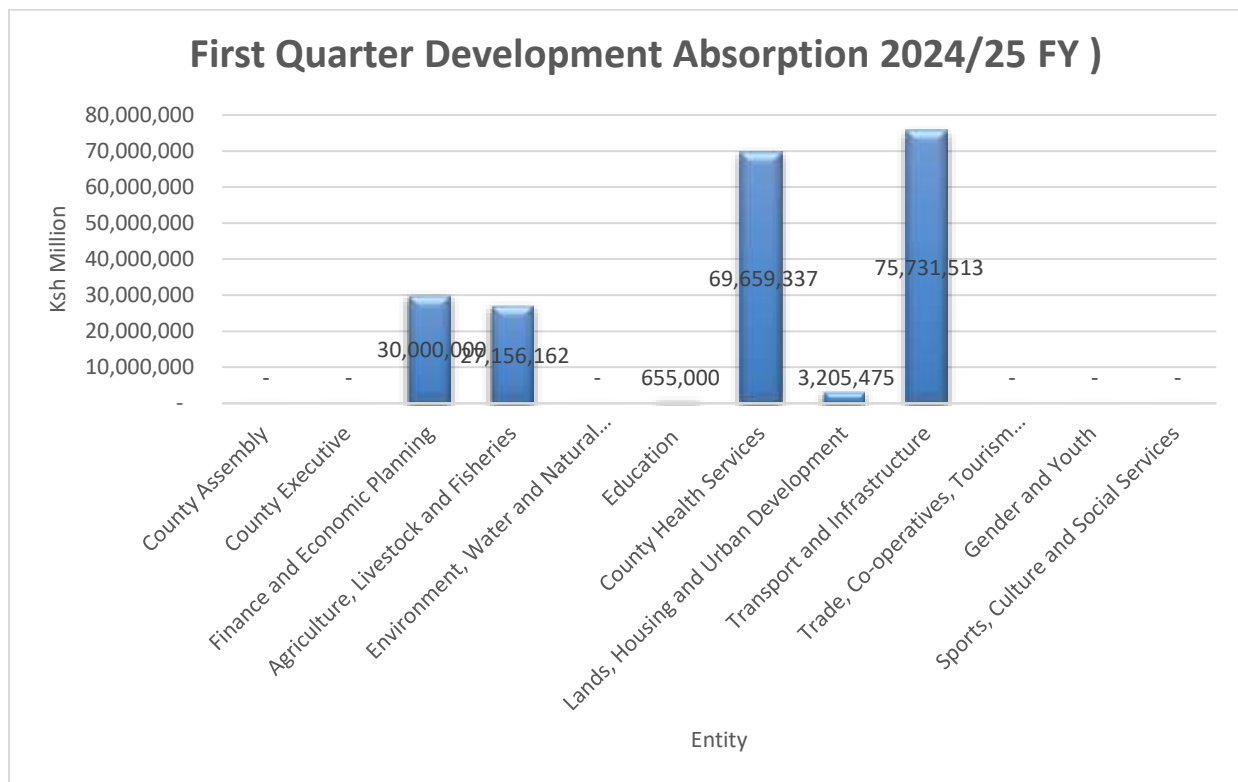


Figure 3.2 First Quarter Development expenditure by Department 2024/25FY

Comparison on Development Expenditure for 2023-24 and 2024-25FY

Table 3.5 Development Expenditure for 2023-24 and 2024-25

VOTE	ENTITY	First Quarter Development Expenditure 2023-24 FY	First Quarter Development Expenditure 2024-25 FY
3961	County Assembly	-	-
3962	County Executive	-	-
3963	Finance and Economic Planning	30,000,000	-

3964	Agriculture, Livestock and Fisheries	27,156,162	-
3965	Environment, Water and Natural Resources	-	163,291,006
3966	Education	655,000	13,169,736
3967	County Health Services	69,659,337	7,860,776
3968	Lands, Housing and Urban Development	3,205,475	10,888,000
3969	Transport and Infrastructure	75,731,513	96,196,832
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	-	63,827,255
3971	Gender and Youth	-	3,637,020
3972	Sports, Culture and Social Services	-	19,629,138
	TOTAL	206,407,487.00	378,499,763

Source: County Treasury

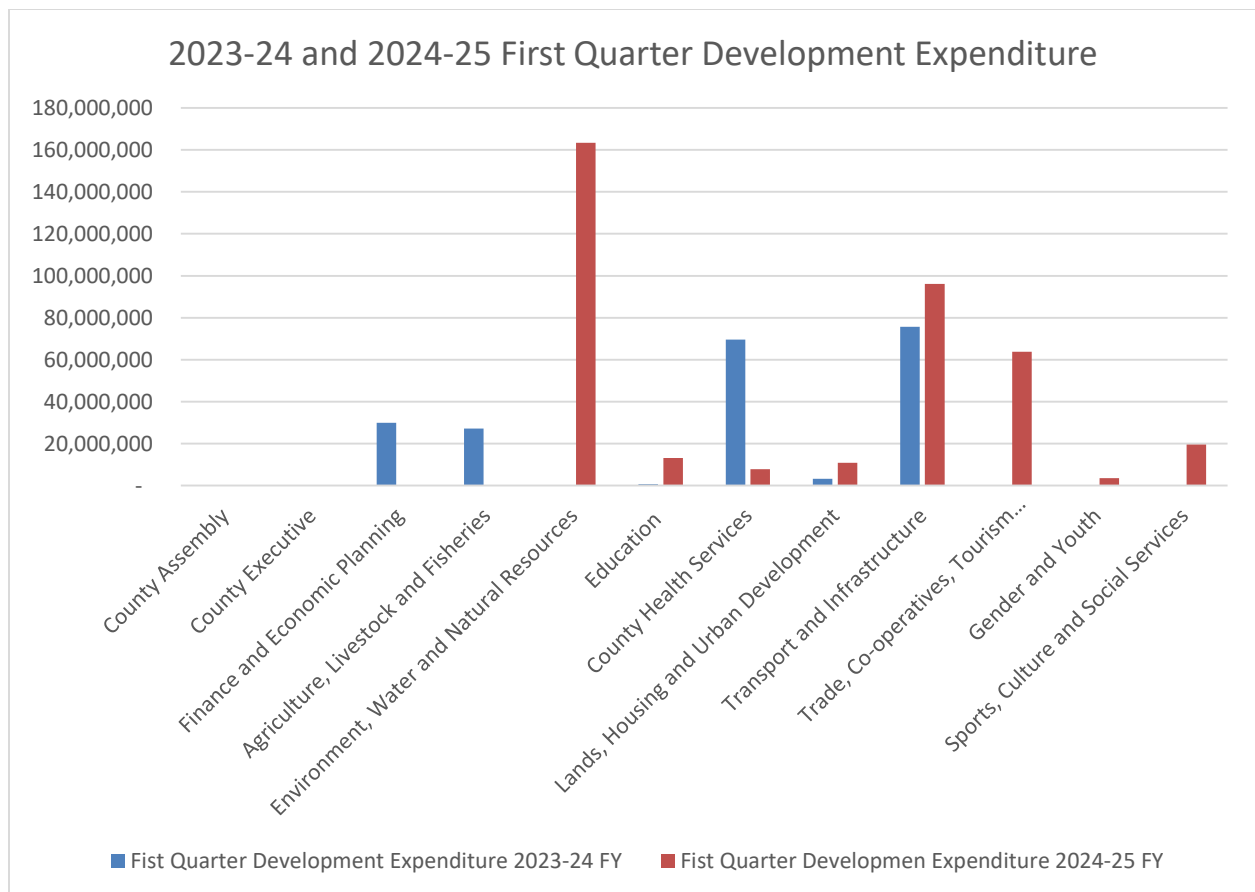


Figure 3.3 Development Expenditure First Quarter 2023-24 and 2024-25