

COUNTY GOVERNMENT OF KITUI



COUNTY TREASURY

BUDGET IMPLEMENTATION REPORT (BIR)

QUARTER I

FY 2023/ 2024

County Mission and Vision

Vision

To be a prosperous County with vibrant rural and urban economies whose people enjoy high quality of life.

Mission

To provide effective County services and an enabling environment for inclusive and sustainable socio-economic development and improved livelihoods for all.

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FOREWORD

The Budget Implementation Reports are prepared in conformity with the Public Finance Act, 2012. They are prepared quarterly & annually and analyze the County revenues and expenditure for each period under review. The expenditure is further dissected into the respective Ministries, viz a viz their budget, hence the absorption rates for each ministry is determined.

The report further analyzes the sources of revenue to the County, and the amount realized from each source during the period under review. The internal sources are analyzed against the targets to gauge the County's performance in revenue collection. On the other hand, external revenues channels are looked into to determine how much was received by the County to supplement their local revenue and facilitate expenditure. These include grants, loans and the National government

Each Ministry's expenditure is reviewed against the quarterly budget estimates to determine the absorption rate for the quarters. The Budget Implementation Report classifies the expenditure to recurrent and development and further classifies recurrent expenditure to personal emoluments and operations & maintenance.

An annual Budget implementation report is prepared at the end of the Financial Year to analyze the cumulative expenditure of the annual budget by the County and the revenue received by the County during the year.

Further, the Budget Implementation Report highlights the challenges faced in the implementation of the budget and the possible remedies.

Peter Mwikya Kilonzo
County Executive Committee Member
Ministry of Finance, Economic Planning and Revenue Management

ACKNOWLEDGEMENT

The preparation of the Quarter I Budget Implementation Report 2023/24 was informed by reports and data, from all County sectors, departments and agencies of the County Government of Kitui.

First and foremost, I acknowledge the valuable leadership and support of His Excellency the Governor Julius Malombe. I wish to extend my gratitude to Mr. Peter Mwikya Kilonzo, County Executive Committee Member for the Ministry of Finance, Economic Planning and Revenue Management for his technical support extended in the preparation of this paper. I appreciate the role played by all Chief Officers for leading their staff in providing the necessary information towards preparation of this document.

I would like to pay special thanks to the officers working under Economic Planning department under the leadership of Assistant Directors, Solomon Musembi & Victor Mwangi and the entire team of county economists including Daniel Mbathi, Bonface Muli, Faith Muna, Nicholas Koome, Charles Mulatia, Geoffrey Gisaina, Linda Musee, Mary Muthui, Felistus Munyao, Gabriel Mitau, Dickens Mutunga, Onesmus Kaki, Joy James and Doris Samuel, for the monumental coordination role they played in the development of this document.

I may not mention everybody, but do acknowledge all those individuals who directly or indirectly contributed to the success of development and production of this paper

Patrick Munuve

Chief Officer –Economic Planning and Budget

EXECUTIVE SUMMARY

The quarterly progress reporting, mandated by the Constitution of Kenya (2010), underscores the imperative of adhering to principles of good governance and transparency in the conduct and management of public finance. Complementing this constitutional provision, the Budget Implementation Review Report is meticulously crafted in accordance with Section 166 of the Public Finance Management Act, 2012, and Regulation 54 of the PFM County Government Regulations, 2015. This report, designed explicitly for the comprehensive scrutiny of financial performance during the first quarter of FY 2023/2024, encompasses all County government departments/entities across the 16 Spending entities.

Throughout the period under review, total receipts amounted to Ksh 2.29 billion, comprising Ksh 1.79 billion from equitable share, Ksh 111.55 million from Own Source Revenue (OSR), and 0.5 million from Conditional Grants. In contrast, the County's total expenditure during the initial three months of FY 2023/24 reached Ksh 1.892 billion, reflecting a partial utilization against the annual target of Ksh 11.892 billion.

The review period exposed emerging issues impeding budget execution, including the adoption of new policies affecting departmental budgeting. Furthermore, challenges such as delayed exchequer releases, prolonged procurement processes hindering implementation, and no responsiveness to public tenders were prevalent. As we transition into the second quarter of budget implementation, the following recommendations are posited: prioritizing the timely development of Bill of Quantities, bolstering inter-sectoral collaborations and partner coordination, enhancing the capacity of existing staff, and expeditiously fast-tracking procurement processes and procedures.

LEGAL BASIS FOR THE PREPARATION OF QUARTERLY BUDGET IMPLEMENTATION REVIEW REPORT

The Budget Implementation Review Report is prepared in accordance with Section 166 and 54 of the Public Financial Management Act, 2012 and Regulations 2015 Respectively. The law states that:

166. (1) An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.

(2) In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report contains information on the financial and nonfinancial performance of the entity;

(3) Not later than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.

(4) Not later than one month after the end of each quarter, the County Treasury shall consolidate the quarterly reports and submit them to the county assembly; and publish and publicize them.

54 (1) An Accounting Officer of a county government entity shall not later than the 10th day of each month submit a monthly financial and non-financial budgetary report in the format to be issued by the Cabinet Secretary relating to the activities of his or her county government entity for the preceding month to the County Treasury with copies to the Controller of Budget and the Auditor-General.

(2) The contents of the report under paragraph

(1) shall include—

(a) Actual revenues, including appropriations in aid;

(b) Expenditures classified in economic classification as follows—

i. compensation to employees;

ii. use of goods and services;

iii. transfer to other levels of government; and

iv. capital expenditure;

(c) Pending payments with an age of over ninety days;

(d) A projection of expected expenditure and revenue collection for the remainder of the financial year;

(e) When necessary, an explanation of any material variances; and

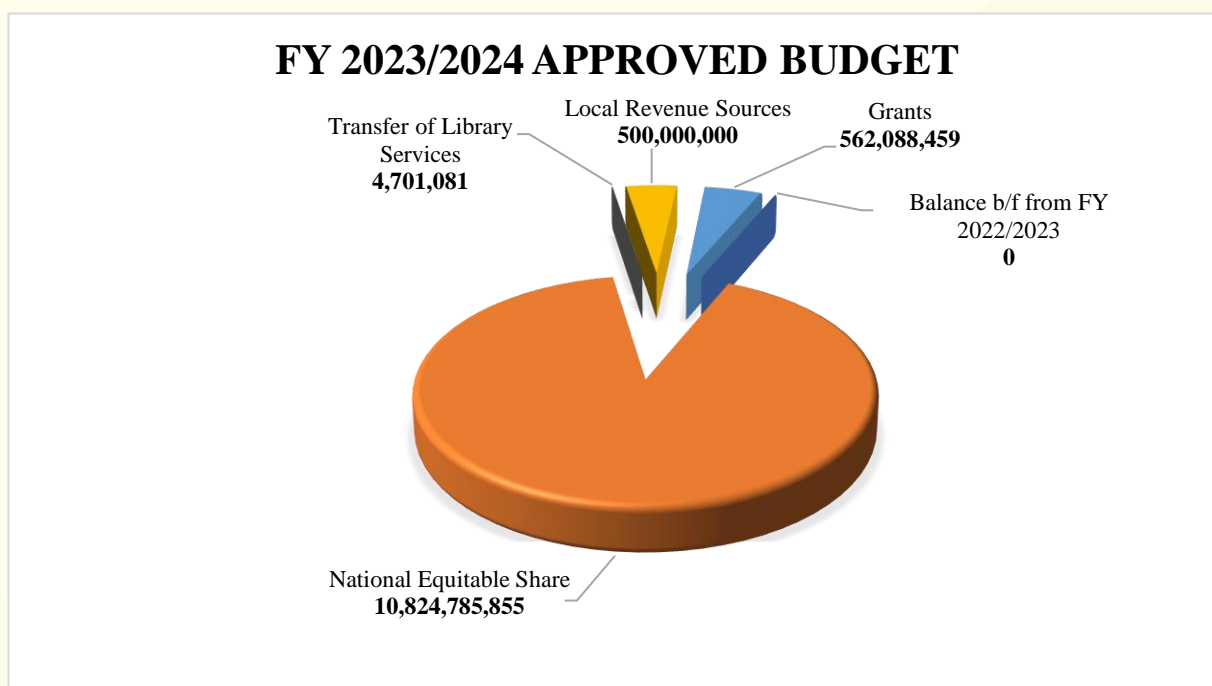
(f) A summary of the steps that are to be taken to ensure that the projected expenditure and revenue remain within budget.

BUDGET HIGHLIGHTS

At the beginning of the FY 2023/2024, the county had an approved budget of Ksh. 11,891,575,394, expected to increase by about 2 billion Ksh from the revote—balances from the previous financial year. This budget was allocated across from various categories: Equitable share, amounting to 10,824,785,855 (91.03%); Transfer of library services, totalling Ksh. 4,701,081 (0.04%); Local Revenue Source (OSR), which was 500,000 (4%); and Grants, accounting for Ksh 562,088,459 (4.73%).

Table 1: FY 2023/2024 Approved budget Components

SOURCE	AMOUNT	% OF TOTAL BUDGET
Balance b/f from FY 2022/2023	0	0
National Equitable Share	10,824,785,855	91.03
Transfer of Library Services	4,701,081	0.04
Local Revenue Sources	500,000,000	4.2
Grants	562,088,459	4.73
TOTAL	11,891,575,395	100

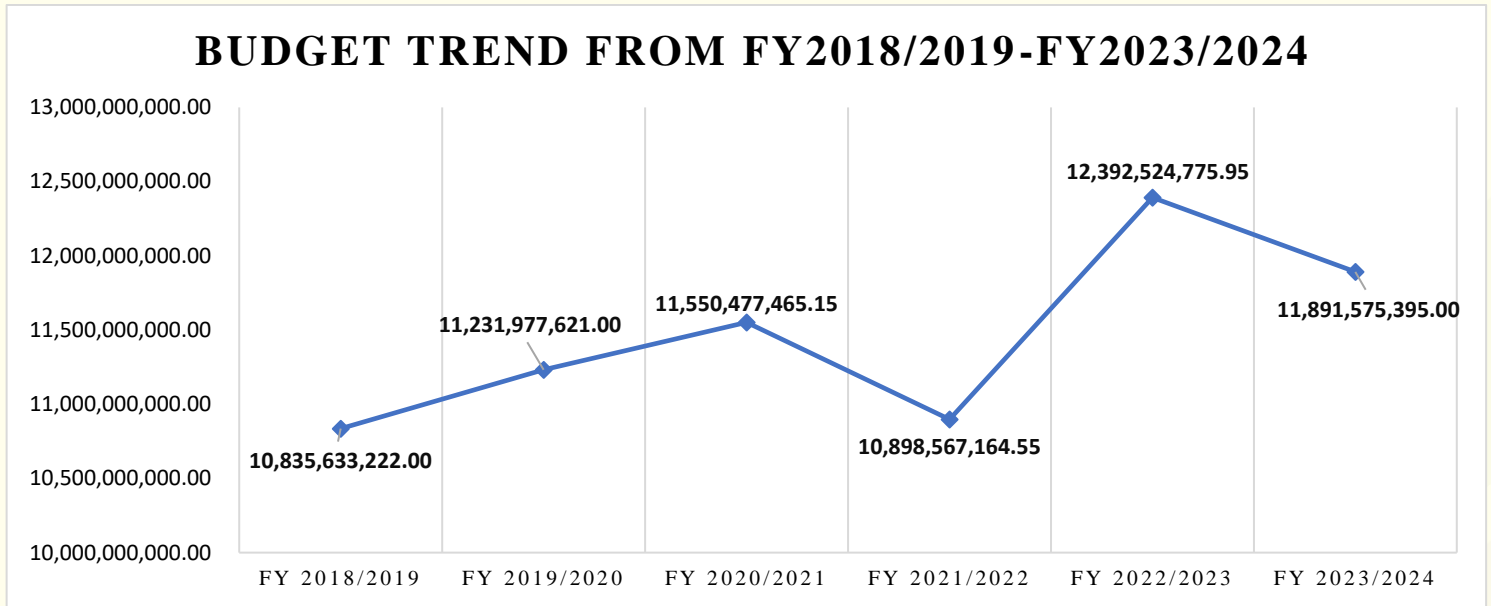


Budget Trend from FY 2018/2019 to 2023/2024

Kitui County's financial information from the fiscal years 2018/2019 to the projected 2023/2024 reveals a fluctuating but generally positive trend in its total resource envelope. Starting at 10,835,633,222.00 in 2018/2019, the county saw incremental increases in subsequent years, reaching a peak of 12,392,524,775.95 in 2022/2023, indicating economic growth and effective financial management. However, there was a slight dip in the following year, with a total resource envelope of 10,898,567,164.55 in 2021/2022. The projected figure for 2023/2024 is 11,891,575,395.00, indicating ongoing efforts to balance developmental needs with fiscal responsibility.

Table 2: Budget trend from F2018/2019 to FY 2023/2024

Financial Year	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024
Total Resource Envelope	10,835,633,222	11,231,977,621	11,550,477,465	10,898,567,165	12,392,524,775	11,891,575,395



I INTRODUCTION

The Budget Implementation Review Report (BIRR) for the first quarter of FY 2023/2024 represents a pioneering effort within the third administration of the County Government of Kitui. Its preparation coincides with the official preparation of the County Integrated Development Plan 2023-2024 waiting for launch on September 2023.

The BIRR for this quarter aligns with the stipulations of the Public Finance Management (PFM) Act, 2012, and PFM (County Government) Regulations 2015. It serves as a comprehensive evaluation of the county's fiscal performance during the first quarter of FY 2022/2023, highlighting potential progresses in revenue, and expenditure and their implications on the execution of the budget estimates for FY 2022/2023. These quarterly BIRRs will constitute integral components of the resource materials used in the formulation of the County Budget Review and Outlook Paper (CBROP) at the conclusion of the financial year.

II. REVIEW OF FISCAL PERFORMANCE QUARTER ONE FY2023/2024 FISCAL PERFORMANCE

The performance of the first quarter (July, August, and September) FY 2023/24 was significantly influenced by the electioneering period and transitional activities from the previous administration to the current administration at both the national and county levels.

During this review period, the County Government was implementing an approved budget estimate of Ksh 11.89 billion, excluding fiscal balances from FY 2022/2023, as they were yet to be appropriated since the FY 2023/24 budget was approved before the end of FY 2022/2023. Noteworthy increases were observed in revenue performance from all sources, exceeding the targets set for the period under review.

In terms of specific figures, the County received an equitable share of Ksh 1.79 billion, achieving 30.78 percent of the projected 6.15 billion. The total Own Source Revenue (OSR) collections amounted to Ksh 111.55 million, surpassing the quarter target of Ksh 109.22 million by Ksh 2.3 million, indicating an over-collection. Local Revenue sources achieved a notable 102.14 percent performance. Meanwhile, the County's total expenditure for the first three months stood at Ksh 1.89 billion. months of FY 2022/23 against an annual target of Ksh 1.89 billion. During the period under review, overall budget execution rate was 15.91 percent with recurrent expenditure representing a 15.41 percent absorption rate and development expenditure representing a 0.47 percent absorption rate.

REVENUE PERFORMANCE QUARTER ONE FY2023/2024

Exchequer Releases

The actual exchequer releases from the National Government amounted to Ksh. **1,77 Billion** against the projected amount of Ksh. 6.15 billion and 0.5 billion as grand.

Table 3: Transfers from the National Government QI-FY 2023/24

Month	Date of Release	Amount Received
July	28-Jul-23	920,506,390
August	25-Oct-23	866,358,955
September		0
Total		1,786,865,345

Table 4: Breakdown of Grants

Source	Amount budgeted	Receipt in FY 2023/24
World Bank (Agriculture - Rural Growth)	150,000,000	-
World Bank (Emergency Locust Response Project (ELRP))	133,683,244	-
IDA (World Bank) credit (National Agricultural Value Chain Development Project (NAVCDP))	250,000,000	-
HSSP/HSPS - (DANIDA/IDA)	16,112,250	-
World Bank loan to Supplement financing of County Health Facilities		-
World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)	11,000,000	-
ASDSP	1,292,965	500,000
Subtotal	562,088,459	500,000

Grants performed poorly in the quarter, with only receipts from ASDSP.

Own Source Revenue Performance

The economic review of the County Ministries' performance for the quarter reveals a mixed picture with varying levels of success in meeting revenue collection targets. The Office of the Deputy Governor and the Education, Training & Skills Development ministry did not report any collections during the period, indicating a lack of revenue generation or specific targets for this quarter.

On the positive side, ministries such as Public Service Management and Administration, Water & Irrigation, Health & Sanitation, Finance, Economic Planning & Revenue Management, Kitui Municipality, Mwingi Town Administration, and Lands, Housing, and Urban Development demonstrated robust performance, exceeding their respective revenue collection targets. Notably, the Culture, Gender, Youth, ICT, Sports & Social Services ministry exhibited exceptional performance, achieving 174.70% of its target.

However, some ministries faced challenges, with Trade, Industry, MSMEs, Innovation & Cooperatives and Energy, Environment, Forestry, Natural & Mineral Resources falling short of their revenue targets. This could be attributed to various factors, including economic conditions, market dynamics, or operational challenges.

The overall performance of all ministries resulted in a cumulative collection of Ksh 111,553,405, surpassing the total target of Ksh 109,216,771 by 2.14%. This indicates an overall positive economic outcome for the quarter, though individual ministry performances varied. The successful revenue generation by several ministries suggests effective fiscal management, while the shortfalls highlight areas for potential improvement and strategic focus in future quarters.

Table 5: Locally Generated Revenue QI-FY 2023/24

County Ministry	Target for the Quarter	Collection in Q4	% Performance
Office of the Deputy Governor	25,137	-	-
Public Service Management and Administration	3,393,513	4,561,800	134.43
Water & Irrigation	4,227,106	5,107,555	120.83
Education, Training & Skills Development	25,137	-	-
Roads, Public Works & Transport	810,924	411,470	50.74
Health & Sanitation	71,640,828	71,856,375	100.30
Trade, Industry, MSMEs, Innovation & Cooperatives	766,683	202,152	26.37
Energy, Environment, Forestry, Natural & Mineral Resources	1,332,771	155,100	11.64
Culture, Gender, Youth, ICT, Sports & Social Services	50,274	87,830	174.70
Finance, Economic Planning & Revenue Management	12,979,394	15,606,979	120.24
Kitui Municipality	5,993,335	6,452,562	107.66
Mwingi Town Administration	2,522,231	2,644,032	104.83
Agriculture & Livestock	507,353	-	-
Lands, Housing and Urban Development	4,942,085	4,467,550	90.40
TOTALS	109,216,771	111,553,405	102.14

The County revenue performance in the quarter met the targeted amount

Table 6: FY 2023/24 Cumulative Revenue Performance by Ministries

County Ministry	Annual Target	Collection in Q4	% Performance
Office of the Deputy Governor	100,548	-	-
Public Service Management and Administration	13,574,052	4,561,800	33.61
Water & Irrigation	9,367,286	5,107,555	54.53
Education, Training & Skills Development	100,549	-	-
Roads, Public Works & Transport	3,243,696	411,470	12.69
Health & Sanitation	286,563,311	71,856,375	25.08
Trade, Industry, MSMEs, Innovation & Cooperatives	3,066,730	202,152	6.59
Energy, Environment, Forestry, Natural & Mineral Resources	5,331,083	155,100	2.91

County Ministry	Annual Target	Collection in Q4	% Performance
Culture, Gender, Youth, ICT, Sports & Social Services	201,097	87,830	43.68
Finance, Economic Planning & Revenue Management	81,433,277	15,606,979	19.17
Kitui Municipality	49,874,501	6,452,562	12.94
Mwingi Town Administration	25,346,119	2,644,032	10.43
Agriculture & Livestock	2,029,411	-	-
Lands, Housing and Urban Development	19,768,340	4,467,550	22.60
TOTALS	500,000,000	111,553,405	22.31

EXPENDITURE PERFORMANCE QUARTER ONE FY2023/2024

The budgetary review for the specified expenditure types reveals noteworthy patterns in fiscal management. The approved budget allocated substantial resources across different categories, with Personal Emoluments accounting for 2,766,887,483.00, Operational Maintenance at 1,554,156,279.00, and Development at 1,825,643,416.00.

In terms of actual expenditure, the implementation of the budget saw Personal Emoluments utilizing 1,225,383,141.00, Operational Maintenance utilizing 607,680,872.00, and Development utilizing 59,147,287.00. Consequently, the overall total expenditure for the period reached 1,892,211,300.00.

The absorption rates provide insights into the efficiency of fund utilization within each category, revealing that Personal Emoluments achieved a 44.29% absorption, Operational Maintenance reached 39.10%, and Development exhibited a lower absorption rate of 3.24%. The cumulative expenditure across all categories resulted in a total absorption rate of 30.78%.

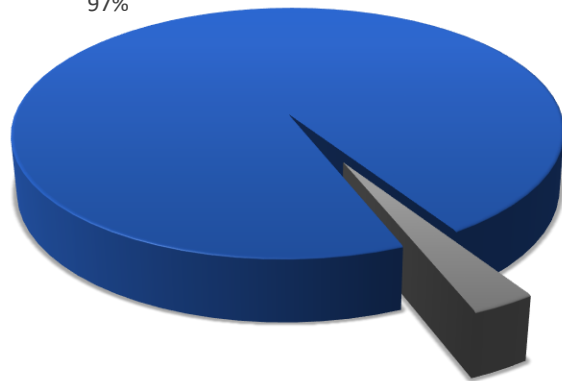
The lower absorption rate in the Development category indicates a substantial portion of allocated funds remaining unutilized during the period, which was attributed to project delays, prolonged planning stages and other operational constraints.

Table 7: Expenditure performance quarter one FY2022/2023

EXPENDITURE TYPE	Approved Budget	Actual Expenditure	Absorption (%)
Personal Emoluments	2,766,887,483.00	1,225,383,141.00	44.29
Operational Maintenance	1,554,156,279.00	607,680,872.00	39.10
Development	1,825,643,416.00	59,147,287.00	3.24
Total Expenditure	6,146,687,178.00	1,892,211,300.00	30.78

QIV Expenditure Distribution

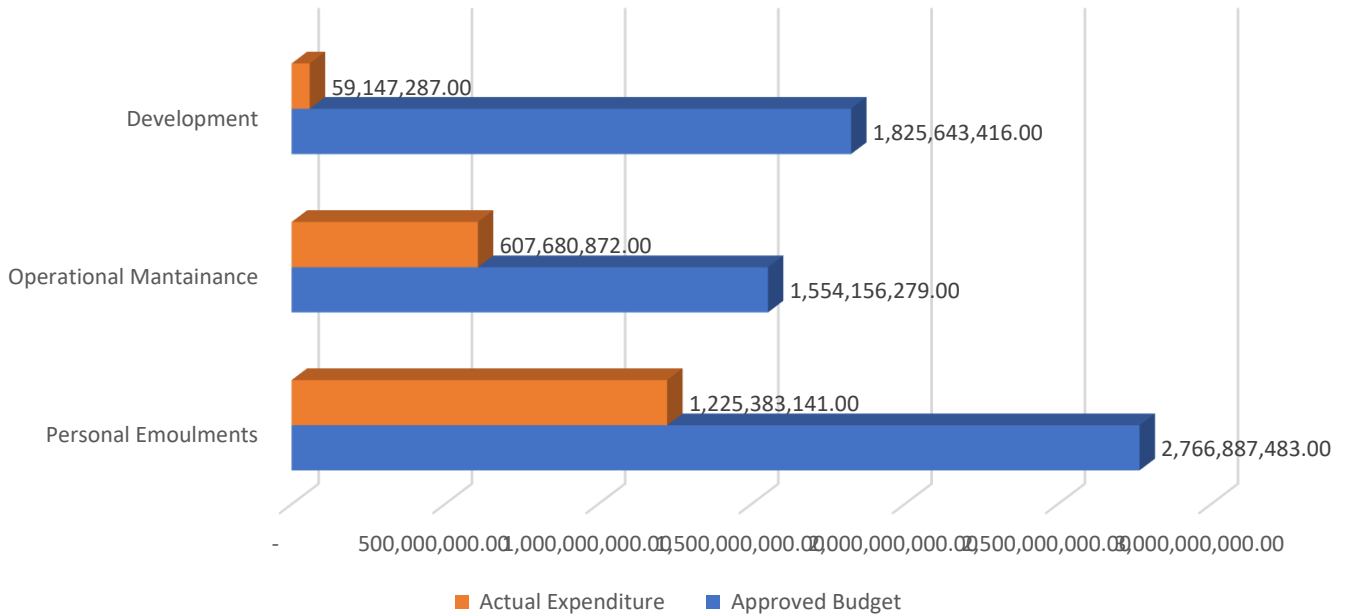
Recurrent
expenditure
97%



Development
Expenditure
3%

■ Recurrent expenditure ■ Development Expenditure

QIV Budgetary Performance



Financial Overview: Analysis of Expenditure Types and Variance in Q1 FY 23/24

The first quarter of the fiscal year 2023/24 witnessed a comprehensive financial landscape, with approved budgets and actual expenditures across various expenditure types. In the realm of Current Expenditure, Compensation to Employees (2100000) constituted a significant portion with an approved budget of 2,766,887,483.0 and an actual expenditure of 1,225,383,141.0, resulting in a 44.29% absorption rate. Similarly, Use of goods and services (2200000) and Current grants and other Transfers (2600000) exhibited absorption rates of 41.43% and 51.56%, respectively. Acquisition of Non-Financial Assets (3100000) displayed an 8.29% absorption rate, while Acquisition of Financial Assets (4100000) showed no expenditure in this quarter.

Moving to Capital Expenditure, significant allocations were made to Capital grants and other Transfers (308,829,204.0), Non-Financial Assets (1,440,289,212.0), and Other Development (46,525,000.0). The Capital Transfers to Government Agencies (30,000,000.0) achieved a 100% absorption rate, while Non-Financial Assets demonstrated a 1.65% absorption rate. Overall, the Grand Total expenditure for the quarter reached 1,892,211,302.0, with a variance of 4,254,475,870.0 and an absorption rate of 30.78%. This analysis provides a comprehensive insight into the financial dynamics and utilization of resources in the specified quarter, indicating areas of effective spending and potential avenues for optimization in subsequent periods.

Table 8: County Expenditure Performance Q1 FY2023/2024 by Economic Classification

Expenditure type	FY 23/24 Q1 Approved budget	FY 23/24 Q1 Actual Expenditure	Variance	Absorption Rate (%)
Current Expenditure				
2100000 Compensation to Employees	2,766,887,483.0	1,225,383,141.0	1,541,504,342.0	44.29
2200000 Use of goods and services	1,101,671,604.0	456,376,310.0	645,295,294.0	41.43
2600000 Current grants and other Transfers	252,468,899.0	130,183,745.0	122,285,154.0	51.56
2700000 Social Benefits	18,091,180.0	8,185,231.0	9,905,949.0	45.24
3100000 Acquisition of Non-Financial Assets	156,067,472.0	12,935,589.0	143,131,883.0	8.29
4100000 Acquisition of Financial Assets	25,857,118.0	-	25,857,118.0	0.00
Sub-Total	4,321,043,756.0	1,833,064,016.0	2,487,979,740.0	42.42
Capital Expenditure				
Capital grants and other Transfers	308,829,204.0	-	308,829,204.0	0.00
Capital Transfers to Government Agencies	30,000,000.0	29,999,999.0	1.0	100.00
Non-Financial Assets	1,440,289,212.0	23,741,163.0	1,416,548,049.0	1.65
Other Development	46,525,000.0	5,406,124.0	41,118,876.0	11.62
Sub-Total	1,825,643,416.0	59,147,286.0	1,766,496,130.0	3.24
Grand-Total	6,146,687,172.0	1,892,211,302.0	4,254,475,870.0	30.78

Departmental Expenditure Analysis Quarter One FY2023/2024

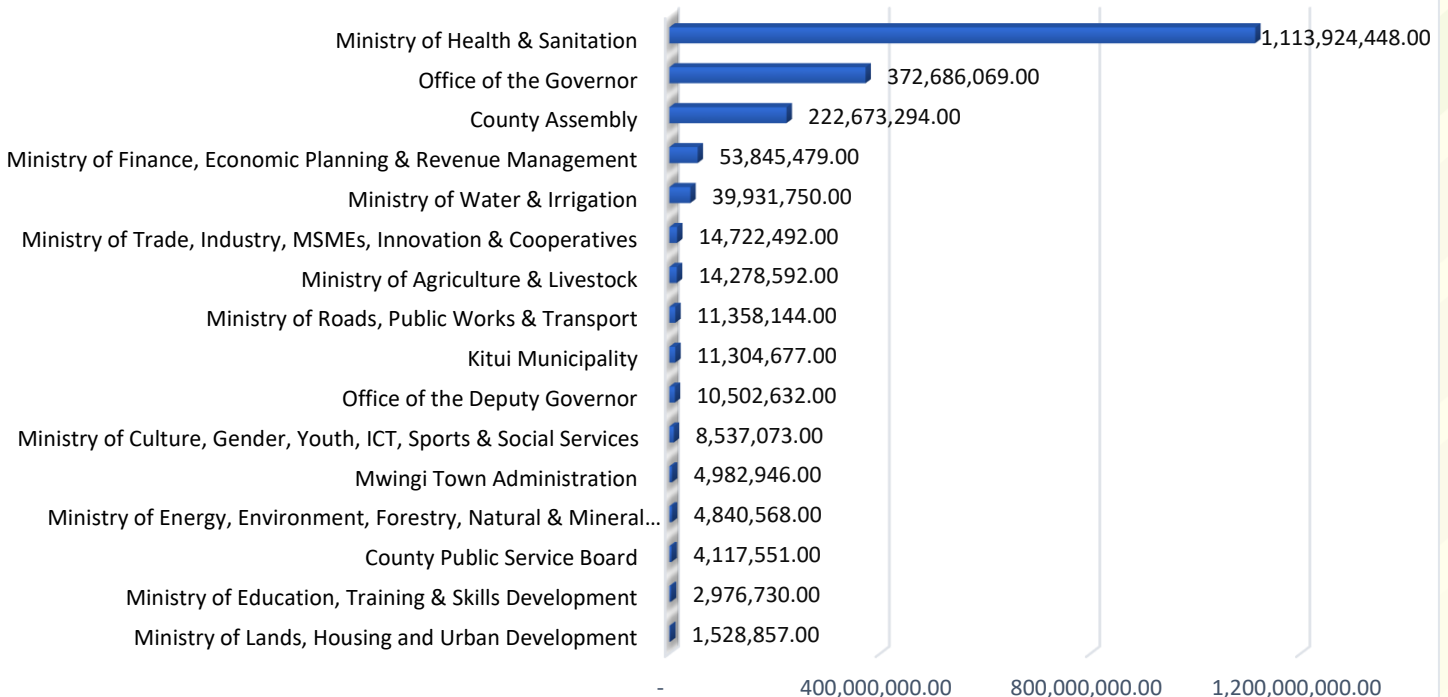
The budgetary performance across various ministries and departments for the fourth quarter (Q4) reveals distinct patterns in expenditure, variance, and absorption rates. Notably, the Office of the Governor allocated a budget of 1,090,662,195.00 and exhibited a 34.17% absorption rate, spending 372,686,069.00. Meanwhile, the Ministry of Health & Sanitation had a significant budget of 1,830,945,429.00 and achieved a notable 60.84% absorption rate, utilizing 1,113,924,448.00. Conversely, the Ministry of Education, Training & Skills Development had a minimal 0.58% absorption rate, spending 2,976,730.00 out of a 513,328,018.00 budget, indicating potential underutilization. The County

Assembly, with a budget of 478,844,978.00, demonstrated a robust 46.50% absorption rate, spending 222,673,294.00. Overall, while some ministries effectively absorbed their allocated budgets, others displayed varying degrees of underutilization, suggesting the need for strategic financial management to optimize resource allocation and achieve developmental goals.

Table 7: Expenditure performance quarter one FY2022/2023

MINISTRY	Q4 TOTAL BUDGET	Cumulative Expenditure	variance	Absorption Rate (%)
Office of the Governor	1,090,662,195.00	372,686,069.00	717,976,126.00	34.17
Office of the Deputy Governor	113,985,780.00	10,502,632.00	103,483,148.00	9.21
Ministry of Water & Irrigation	325,744,681.00	39,931,750.00	285,812,931.00	12.26
Ministry of Education, Training & Skills Development	513,328,018.00	2,976,730.00	510,351,288.00	0.58
Ministry of Roads, Public Works & Transport	332,968,050.00	11,358,144.00	321,609,906.00	3.41
Ministry of Health & Sanitation	1,830,945,429.00	1,113,924,448.00	717,020,981.00	60.84
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	213,882,726.00	14,722,492.00	199,160,234.00	6.88
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	125,027,601.00	4,840,568.00	120,187,033.00	3.87
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	98,308,121.00	8,537,073.00	89,771,048.00	8.68
Ministry of Finance, Economic Planning & Revenue Management	268,045,574.00	53,845,479.00	214,200,095.00	20.09
Ministry of Agriculture & Livestock	503,527,706.00	14,278,592.00	489,249,114.00	2.84
Ministry of Lands, Housing and Urban Development	82,851,394.00	1,528,857.00	81,322,537.00	1.85
County Public Service Board	37,751,066.00	4,117,551.00	33,633,515.00	10.91
County Assembly	478,844,978.00	222,673,294.00	256,171,684.00	46.50
Kitui Municipality	84,005,298.00	11,304,677.00	72,700,621.00	13.46
Mwingi Town Administration	46,308,555.00	4,982,946.00	41,325,609.00	10.76
TOTAL	6,146,187,172.0	1,892,211,302.0	4,253,975,870.0	30.79

Q IV-CUMMULATIVE EXPENDITURE



Status of County Pending bills by the end of FY 2023/2024 Q1

The pending bills assessment reveals a comprehensive overview of financial obligations across three distinct lots. In Lot 1 (2013-2016), paid bills amount to 232,179,961.60, leaving a substantial unpaid balance of 75,246,006.00, resulting in a grand total of 307,425,967.60. Lot 2 (2017-2021) showcases a paid amount of 105,288,988.69 and an outstanding unpaid balance of 133,244,477.39, culminating in a grand total of 238,533,466.08. For Lot 3 (2022), paid bills account for 267,289,396.60, with an outstanding unpaid balance of 89,060,987.39, leading to a grand total of 356,350,384.00. The collective total for works, goods, services, and other expenses across all lots stands at 902,309,817.70, with 579,628,104.75 paid, resulting in a variance of 323,030,652.93. Additionally, court degrees and awards amount to 533,631,481.37, with a paid sum of 126,036,076.50. The grand total for Lots 1, 2, and 3 sums up to 1,435,941,299.07, with a total paid amount of 705,664,181.25. The analysis underscores a significant variance in the payment of pending bills, with Lot 2 presenting the highest outstanding balance, highlighting the necessity for strategic financial management and settlement to ensure fiscal responsibility and transparency.

Table 8: Status of County Pending bills by the end of FY 2023/2024 Q1

LOTS	STATUS	CLAIM AMOUNT	ACTUAL PAID	VARIANCE
LOT 1 2013-2016				
	<i>PAID BILLS LOT 1</i>	<i>232,179,961.60</i>	<i>211,603,139.10</i>	<i>20,576,822.50</i>
	<i>UNPAID BILLS LOT 1</i>	<i>75,246,006.00</i>	<i>-</i>	<i>75,246,006.00</i>
GRAND TOTAL LOT 1		307,425,967.60	211,603,139.10	95,822,828.50
LOT 2 2017- 2021				
	<i>PAID BILLS LOT 2</i>	<i>105,288,988.69</i>	<i>102,747,603.50</i>	<i>2,541,385.19</i>
	<i>UNPAID BILLS LOT 2</i>	<i>133,244,477.39</i>	<i>-</i>	<i>133,593,417.39</i>
GRAND TOTAL LOT 2		238,533,466.08	102,747,603.50	136,134,802.58
LOT 3 2022				
	<i>PAID BILLS LOT 3</i>	<i>267,289,396.60</i>	<i>265,277,362.15</i>	<i>2,012,034.45</i>
	<i>UNPAID BILLS LOT 3</i>	<i>89,060,987.39</i>	<i>-</i>	<i>89,060,987.39</i>
GRAND TOTAL LOT 3		356,350,384.00	265,277,362.15	91,073,021.85
	<i>Total bills for works, goods, services and others</i>	<i>902,309,817.70</i>	<i>579,628,104.75</i>	<i>323,030,652.93</i>
	<i>Court Degrees and Awards</i>	<i>533,631,481.37</i>	<i>126,036,076.50</i>	
	GRAND TOTAL FOR LOT 1, 2 &3	1,435,941,299.07	705,664,181.25	

III EMERGING ISSUES, CHALLENGES AND RECOMMENDATIONS

This section highlights the emerging issues, challenges that hampered full implementation of the budget. It further gives recommendations that will be useful in the implementation of the budget in the second quarter.

EMERGING ISSUES

1. **Budget Execution and Variance:** The analysis of expenditure types and variance in Q1 FY 23/24 revealed notable variances in actual expenditure compared to approved budgets across different categories. While some ministries effectively absorbed their allocated budgets, others exhibited varying degrees of underutilization, indicating potential challenges in budget execution and resource optimization.
2. **Revenue Performance:** The review of revenue collection across various sectors and departments highlighted both successes and challenges. While some ministries demonstrated robust revenue generation, others fell short of their targets. This points to the need for focused strategies to enhance revenue streams and meet financial goals.
3. **Absorption Rates and Efficiency:** The analysis of absorption rates in different expenditure types showcased varying levels of efficiency in fund utilization. Some categories achieved high absorption rates, indicating effective utilization of allocated funds, while others demonstrated lower rates, suggesting potential areas for improvement in financial management and execution.
4. **Development Expenditure Challenges:** The relatively low absorption rate in the Development category in Q1 FY 23/24 raised concerns. This may indicate delays in project implementation, planning stages, or other operational constraints, requiring a closer examination of the development expenditure process.
5. **Strategic Financial Management:** The overall financial performance of the county government underscores the importance of strategic financial management. Balancing revenue generation, budget execution, and resource allocation is crucial for achieving developmental goals while maintaining fiscal responsibility.

These emerging issues collectively highlight the complex interplay of factors shaping Kitui County's financial dynamics. Addressing these challenges and leveraging opportunities will be essential for the county government to achieve its developmental objectives and ensure sustained fiscal health.

CHALLENGES

1. **Delay in Disbursement of Funds by the National Treasury:** The delay in the release of funds by the National Treasury poses a significant challenge to the timely implementation of programs and projects. This issue affects the overall financial fluidity and execution of the county's initiatives.
2. **Nonresponsive Tendering Process:** The no responsiveness to tenders floated by the public is attributed to the lack of inclusion of projects carried forward from FY 2022/22 in the FY 2023/24 budget. This underscores the need for synchronized budget planning that considers ongoing projects.
3. **Delayed Bills of Quantities (BQs) Development:** The delay or slow development of Bills of Quantities (BQs) hampers project implementation by causing delays in project initiation. Streamlining the BQ development process is vital for project timeline adherence.
4. **Lengthy Procurement Processes:** Lengthy procurement processes act as a bottleneck, causing delays in both project and program implementation. Simplifying and expediting the procurement process is critical for timely execution.
5. **Inadequate Means of Mobility and Office Space:** Inadequate mobility and office space across departments, entities, and sub-counties hinder operational efficiency. Addressing these infrastructure challenges is crucial for enhancing the overall working environment and service delivery.

RECOMMENDATIONS

1. **Timely Disbursement of Funds:** Advocate for the timely disbursement of funds by the National Treasury to ensure a steady and predictable financial flow for effective project implementation.
2. **Increase in Resource Allocation:** Recommend an increase in resource allocation to meet the rising demand for services and projects. This involves a thorough assessment of budgetary needs and adjustments to align with development priorities.
3. **Interdepartmental Synergy for BQ Development:** Encourage interdepartmental collaboration, particularly between the Department of Public Works and the Department of ICT, to facilitate the timely development of Bills of Quantities (BQs). This collaborative effort can expedite project commencement.
4. **Timely Fund Release for Planned Programmes:** Advocate for the timely release of funds to enable departments and entities to execute planned programs without unnecessary delays, ensuring smooth program implementation.
5. **Inter-Sectoral Collaborations and Capacity Building:** Emphasize the need for strengthening inter-sectoral collaborations and partner coordination, along with capacity building for existing staff and recruitment of additional personnel. This multifaceted approach can enhance operational efficiency.

6. **Fast-Tracking Procurement Processes:** Propose the fast-tracking of procurement processes and procedures to expedite the commencement of projects in the fiscal year. Streamlining these processes is essential for timely project initiation.
7. **Prioritization of Pending Bills Payment:** Prioritize the payment of pending bills for which funds were already been allocated in previous Financial Year Budget and needs to be revoted in this budget immediately. This will ensure financial commitments are met promptly and promotes financial accountability.

These recommendations collectively address key challenges identified and provide actionable steps to enhance financial management, operational efficiency, and project implementation within Kitui County.

ANNEXURE

Annex I: Quarter One Departmental Expenditure Performance by Economic Classification and Departments

VOTE 3711: OFFICE OF THE GOVERNOR

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	282,058,944.0	140,749,837.0	49.90
2200000 Use of goods and services	322,583,195.0	224,935,884.0	69.73
2600000 Current grants and other Transfers	43,200,000.0	-	0.00
3100000 Acquisition of Non-Financial Assets	42,449,715.0	5,002,900.0	11.79
Sub-total	690,291,854.0	370,688,621.0	53.70
Capital Expenditure			
Non-Financial Assets	400,370,341.00	1,997,448.00	0.50
Sub-total	400,370,341.0	1,997,448.0	0.50
Grand Total	1,090,662,195.0	372,686,069.0	34.17

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration and Planning	562,810,294	327,269,923	58.15
Office of the County secretary	4,234,000	916,640	21.65
Governor's Service Delivery Unit & Public Communication	88,042,252	29,363,634	33.35
Decentralized Units Service Delivery Coordination	35,205,307	13,138,424	37.32
Total Net Expenditure vote R3711	690,291,852	370,688,622	53.70

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
General Administration and Planning	355,650,000.00	-	0.00
Decentralized Units Service Delivery Coordination	44,720,341.00	1,997,448.00	4.47
Total Net Expenditure vote D3711	400,370,341.00	1,997,448.00	0.50

VOTE 3728: OFFICE OF THE DEPUTY GOVERNOR

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	45,573,128.00	7,160.00	0.02
2200000 Use of goods and services	36,705,752.00	8,413,142.00	22.92
3100000 Acquisition of Non-Financial Assets	9,356,900.00	140,400.00	1.50
Sub-total	91,635,780.0	8,560,702.0	9.34
Capital Expenditure			
Non-Financial Assets	22,350,000.00	1,941,930.00	8.69
Sub-total	22,350,000.0	1,941,930.0	8.69
Grand Total	113,985,780.0	10,502,632.0	9.21

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
Administration Planning & Support Services	19,331,846	1,287,640	6.66
Tourism Devt & Promotion	38,195,075	2,088,562	5.47
Performance Mgt & Disaster Mitigation	34,108,858	5,184,500	15.20
Total Net Expenditure vote R3728	91,635,779	8,560,701	9.34

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Tourism Devt & Promotion	15,600,000.00	1,941,930.00	12.45
Performance Mgt & Disaster Mitigation	6,750,000.00	-	0.00
Total Net Expenditure vote D3729	22,350,000.00	1,941,930.00	8.69

VOTE 3729: MINISTRY OF WATER AND IRRIGATION

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	29,097,233.00	5,880.00	0.02
2200000 Use of goods and services	15,540,944.00	4,048,041.00	26.05
3100000 Acquisition of Non-Financial Assets	6,183,753.00	273,800.00	4.43
Sub-total	50,821,930.0	4,327,721.0	8.52
Capital Expenditure			
Capital Transfers to Government Agencies	30,000,000	29,999,999	100.00
Non-Financial Assets	244,922,751.00	5,604,030.00	2.29
Sub-total	274,922,751.0	35,604,029.0	12.95
Grand Total	325,744,681.0	39,931,750.0	12.26

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	31,064,112	132,121	0.43
Water	12,767,938	2,055,400	16.10
Irrigation	6,989,878	2,140,200	30.62
Total Net Expenditure vote R3729	50,821,928	4,327,721	8.52

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Water	168,175,808.00	35,604,030.00	21.17
Irrigation	106,746,943.00	-	0.00
Total Net Expenditure vote D3729	274,922,750.00	35,604,030.00	12.95

VOTE 3730: MINISTRY OF EDUCATION, TRAINING & SKILLS DEVELOPMENT

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	399,557,780.00	-	0.00
2200000 Use of goods and services	22,261,827.00	2,976,730.00	13.37
3100000 Acquisition of Non-Financial Assets	3,794,453.00	-	0.00
Sub-total	425,614,060.0	2,976,730.0	0.70
Capital Expenditure			
Non-Financial Assets	87,713,958.00	-	0.00
Sub-total	87,713,958.0	-	0.00
Grand Total	513,328,018.0	2,976,730.0	0.58

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	59,461,766	875,380	1.47
Basic Education, ECDE & Childcare Facilities	348,323,938	951,900	0.27
Polytechnics Vocational Centers & Home Craft Centers	17,828,356	1,149,450	6.45
Total Net Expenditure vote R3730	425,614,060	2,976,730	0.70

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Basic Education, ECDE & Childcare Facilities	52,911,958.00	-	0.00
Polytechnics Vocational Centers & Home Craft Centers	34,802,000.00	-	0.00
Total Net Expenditure vote D3730	87,713,958.00	-	0.00

VOTE 3731: MINISTRY OF ROADS, PUBLIC WORKS & TRANSPORT

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	50,417,099.00	546,840.00	1.08
2200000 Use of goods and services	21,218,125.00	2,555,805.00	12.05
3100000 Acquisition of Non-Financial Assets	13,958,000.00	255,500.00	1.83
Sub-total	85,593,224.0	3,358,145.0	3.92
Capital Expenditure			
Other Development	27,500,000.00	-	0.00
Non-Financial Assets	219,874,826.00	7,999,999.00	3.64
Sub-total	247,374,826.0	7,999,999.0	3.23
Grand Total	332,968,050.0	11,358,144.0	3.41

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	66,233,898	1,438,524	2.17
Public Works	5,055,825	703,520	13.92
Roads, Transport & Mechanical Services	2,305,500	364,100	15.79
Public Works	11,998,000	852,000	7.10
Total Net Expenditure vote R3731	85,593,224	3,358,144	3.92

Title and details	Approved Q4 Development Budget	cumulative expenditure	Absorption (%)
Roads, Transport & Mechanical Services	194,374,826.00	-	0.00
Public Works	49,000,000.00	7,999,999.00	16.33
Total Net Expenditure vote D3731	247,374,826.00	7,999,999.00	3.23

VOTE 3716: MINISTRY OF HEALTH AND SANITATION

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	1,298,523,208.00	969,303,250.00	74.65
2200000 Use of goods and services	204,404,367.00	15,571,353.00	7.62
2600000 Current grants and other Transfers	207,554,999.00	129,049,845.00	62.18
3100000 Acquisition of Non-Financial Assets	1,015,000.00	-	0.00
Sub-total	1,711,497,574.0	1,113,924,448.0	65.08
Capital Expenditure			
Capital grants and other Transfers	9,834,750.00	-	0.00
Non-Financial Assets	109,613,105.00	-	0.00
Sub-total	119,447,855.0	-	0.00
Grand Total	1,830,945,429.0	1,113,924,448.0	60.84

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
Medical Services	637,760,924	305,416,926	47.89
Public Health	513,329,586	464,219,492	90.43
Curative and Rehabilitative Services	560,407,065	344,288,029	61.44
Total Net Expenditure vote R3716	1,711,497,575	1,113,924,447	65.08

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Medical Services	75,074,780.00	-	0.00
Public Health	12,334,750.00	-	0.00
Curative and Rehabilitative Services	32,038,325.00	-	0.00
Total Net Expenditure vote D3716	119,447,855.00	-	0.00

VOTE 3732: MINISTRY OF TRADE, INDUSTRY, MSMEs, INNOVATIONS & COOPERATIVES

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	38,608,614.00	325,140.00	0.84
2200000 Use of goods and services	36,418,872.00	5,710,502.00	15.68
3100000 Acquisition of Non-Financial Assets	20,835,240.00	2,489,094.00	11.95
4100000 Acquisition of Financial Assets	-	-	
Sub-total	95,862,726.0	8,524,736.0	8.89
Capital Expenditure			
Non-Financial Assets	118,020,000.00	6,197,756.00	5.25
Sub-total	118,020,000.0	6,197,756.0	5.25
Grand Total	213,882,726.0	14,722,492.0	6.88

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	51,176,513	1,809,095	3.54
Trade & Markets	20,599,562	3,061,143	14.86
Cooperatives	24,086,651	3,654,499	15.17
Total Net Expenditure vote R3732	95,862,726	8,524,736	8.89

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Trade & Markets	118,020,000.00	6,197,756.00	5.25
Total Net Expenditure vote D3733	118,020,000.00	6,197,756.00	5.25

VOTE 3733: MINISTRY OF ENERGY, ENVIRONMENT, FORESTRY, NATURAL & MINERAL RESOURCES

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	24,808,869.00	82,768.00	0.33
2200000 Use of goods and services	10,736,844.00	3,493,300.00	32.54
3100000 Acquisition of Non-Financial Assets	9,112,924.00	1,264,500.00	13.88
Sub-total	44,658,637.0	4,840,568.0	10.84
Capital Expenditure			
Capital grants and other Transfers	31,506,350.00	-	0.00
Non-Financial Assets	48,862,614.00	-	0.00
Sub-total	80,368,964.0	-	0.00
Grand Total	125,027,601.0	4,840,568.0	3.87

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	16,077,955	355,300	2.21
Environment & Forestry	13,648,042	1,878,356	13.76
Energy, Minerals & Natural Resources	14,932,650	2,606,912	17.46
Total Net Expenditure vote R3733	44,658,646	4,840,568	10.84

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Environment & Forestry	37,506,350.00	-	0.00
Energy, Minerals & Natural Resources	42,862,614.00	-	0.00
Total Net Expenditure vote D3733	80,368,964.00	-	0.00

VOTE 3734: MINISTRY OF CULTURE, GENDER, YOUTH, ICT, SPORTS AND SOCIAL SERVICES

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	11,061,856.00	-	0.00
2200000 Use of goods and services	36,873,647.00	7,675,073.00	20.81
2600000 Current grants and other Transfers	580,000.00	-	0.00
3100000 Acquisition of Non-Financial Assets	7,685,500.00	862,000.00	11.22
4100000 Acquisition of Financial Assets	857,118.00	-	0.00
Sub-total	57,058,121.0	8,537,073.0	14.96
Capital Expenditure			
Non-Financial Assets	41,250,000.00	-	0.00
Sub-total	41,250,000.0	-	0.00
Grand Total	98,308,121.0	8,537,073.0	8.68

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	18,250,682	870,417	4.77
Sports	18,013,600	4,092,156	22.72
Culture Gender & Social Services	12,844,294	1,981,300	15.43
Youth Sports ICT & Innovation	7,949,544	1,593,200	20.04
Total Net Expenditure vote R3734	57,058,121	8,537,073	14.96

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Sports	28,750,000.00	-	0.00
Culture Gender & Social Services	6,900,000.00	-	0.00
Youth Sports ICT & Innovation	5,600,000.00	-	0.00
Total Net Expenditure vote D3734	41,250,000.00	-	0.00

VOTE 3735: FINANCE, ECONOMIC PLANNING & REVENUE MANAGEMENT

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	161,657,021.00	11,719,092.00	7.25
2200000 Use of goods and services	73,415,653.00	42,042,592.00	57.27
3100000 Acquisition of Non-Financial Assets	7,972,900.00	83,795.00	1.05
4100000 Acquisition of Financial Assets	25,000,000.00	-	0.00
Sub-total	268,045,574.0	53,845,479.0	20.09
Capital Expenditure			
Non-Financial Assets	-	-	0.00
Sub-total	-	-	0.00
Grand Total	268,045,574.0	53,845,479.0	20.09

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration & Planning	196,647,016	14,653,649	7.45
Accounts	15,723,600	8,201,859	52.16
Budgetary Supplies	12,967,000	6,709,594	51.74
Internal Audit	5,428,800	3,485,880	64.21
Economic Planning	15,793,050	3,635,800	23.02
Revenue Management	21,486,110	17,158,697	79.86
Total Net Expenditure vote R3735	268,045,575	53,845,479	20.09

VOTE 3736: MINISTRY OF AGRICULTURE & LIVESTOCK

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cummulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	134,899,489.00	923,782.00	0.68
2200000 Use of goods and services	36,708,491.00	5,016,486.00	13.67
2600000 Current grants and other Transfers	1,133,900.00	1,133,900.00	100.00
3100000 Acquisition of Non-Financial Assets	5,591,000.00	1,798,300.00	32.16
Sub-total	178,332,880.0	8,872,468.0	4.98
Capital Expenditure			
Other Development	18,525,000.00	5,406,124.00	29.18
Capital grants and other Transfers	267,488,104.00	-	0.00
Non-Financial Assets	39,181,722.00	-	0.00
Sub-total	325,194,826.0	5,406,124.0	1.66
Grand Total	503,527,706.0	14,278,592.0	2.84

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration	108,323,068	1,052,987	0.97
Aquaculture Devt	520,338	0	0.00
Livestock Devt	37,018,496	1,459,782	3.94
Agriculture	32,470,976	6,359,698	19.59
Total Net Expenditure vote R3736	178,332,878	8,872,467	4.98

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption Rate (%)
Livestock Devt	7,750,000.00	-	0.00
Agriculture	317,444,826.00	5,406,124.00	1.70
Total Net Expenditure vote D3736	325,194,826.00	5,406,124.00	1.66

VOTE 3737: MINISTRY OF LANDS, HOUSING & URBAN DEVELOPMENT

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	21,401,276.00	50,000.00	0.23
2200000 Use of goods and services	6,193,742.00	778,857.00	12.57
3100000 Acquisition of Non-Financial Assets	18,807,337.00	700,000.00	3.72
Sub-total	46,402,355.0	1,528,857.0	3.29
Capital Expenditure			
OTHER DEVELOPMENT BUDGET	500,000.00	-	0.00
Non Financia Asset	36,449,039.00	-	0.00
Sub-total	36,449,039.0	-	0.00
Grand Total	82,851,394.0	1,528,857.0	1.85

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration	27,148,718	541,947	2.00
Land information & Management	406,000	56,910	14.02
Land Survey	5,710,500	138,800	2.43
Lands & Housing	3,903,000	61,400	1.57
Urban Development	9,234,137	729,800	7.90
Total Net Expenditure vote R3737	46,402,354	1,528,857	3.29

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
Land information & Management	13,330,578.00	-	0.00
Land Survey	968,461.00	-	0.00
Urban Development	22,650,000.00	-	0.00
Total Net Expenditure vote D3733	36,949,039.00	-	0.00

VOTE 3722: COUNTY PUBLIC SERVICE BOARD

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	15,923,748.00	-	0.00
2200000 Use of goods and services	12,572,818.00	4,072,251.00	32.39
3100000 Acquisition of Non-Financial Assets	1,754,500.00	45,300.00	2.58
Sub-total	30,251,066.0	4,117,551.0	13.61
Capital Expenditure			
Non-Financial Assets	7,500,000.00	-	0.00
Sub-total	7,500,000.0	-	0.00
Grand Total	37,751,066.0	4,117,551.0	10.91

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration and Planning	23,148,618	1,556,413	6.72
Communication and policy management	7,102,448	2,561,138	36.06
Total Net Expenditure vote R3722	30,251,066	4,117,551	13.61

VOTE 3723: COUNTY ASSEMBLY SERVICE BOARD

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	212,051,998.00	93,298,230.00	44.00
2200000 Use of goods and services	245,503,550.00	121,169,833.00	49.36
2700000 Social Benefits	18,091,180.00	8,185,231.00	45.24
3100000 Acquisition of Non-Financial Assets	3,198,250.00	20,000.00	0.63
4100000 Acquisition of Financial Assets	-	-	0.00
Sub-total	478,844,978.0	222,673,294.0	46.50
Capital Expenditure			
Non-Financial Assets	-	-	0.00
Sub-total	-	-	0.00
Grand Total	478,844,978.0	222,673,294.0	46.50

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration and Planning	157,433,438	61,620,276	39.14
Legislative Department	321,411,540	161,053,017	50.11
Total Net Expenditure vote R3723	478,844,978	222,673,293	46.50

VOTE 3724: KITUI MUNICIPALITY

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	23,322,150.00	5,299,256.00	22.72
2200000 Use of goods and services	13,845,292.00	6,005,421.00	43.38
3100000 Acquisition of Non-Financial Assets	1,707,000.00	-	0.00
Sub-total	38,874,442.0	11,304,677.0	29.08
Capital Expenditure			
Non-Financial Assets	45,130,856.00	-	0.00
Sub-total	45,130,856.0	-	0.00
Grand Total	84,005,298.0	11,304,677.0	13.46

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration and Planning	22,593,850	5,011,858	22.18
Finance	2,555,592	1,507,869	59.00
Planning, Development Control, Transport and Infrastructure	4,143,000	1,398,400	33.75
Trade, Commerce and Industrialisation	1,740,000	629,431	36.17
Environment, Culture, Recreation and Community Development	7,842,000	2,757,119	35.16
Total Net Expenditure vote R3724	38,874,442	11,304,677	29.08

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
General Administration and Planning	1,500,000.00	-	0.00
Planning, Development Control, Transport and Infrastructure	27,250,000.00	-	0.00
Trade, Commerce and Industrialisation	6,250,000.00	-	0.00
Environment, Culture, Recreation and Community Development	10,130,856.00	-	0.00
Total Net Expenditure vote D3724	45,130,856.00	-	0.00

VOTE 3725: MWINGI TOWN ADMINISTRATION

EXPENDITURE CLASSIFICATION	Q4 TOTAL BUDGET	Cumulative Expenditure	Absorption Rate (%)
Current Expenditure			
2100000 Compensation to Employees	17,925,070.00	3,071,906.00	17.14
2200000 Use of goods and services	6,688,485.00	1,911,040.00	28.57
3100000 Acquisition of Non-Financial Assets	2,645,000.00	-	0.00
Sub-total	27,258,555.0	4,982,946.0	18.28
Capital Expenditure			
Non-Financial Assets	19,050,000.00	-	0.00
Sub-total	19,050,000.0	-	0.00
Grand Total	46,308,555.0	4,982,946.0	10.76

DEPARTMENT	Approved Q4 Budget-REC	REC-Expenditure	Absorption Rate (%)
General Administration and Planning	21,822,854	4,853,441	22.24
Planning, Development Control, Transport and Infrastructure	5,013,752	129,505	2.58
Environment, Culture, Recreation and Community Development	421,950	0	0.00
Total Net Expenditure vote R3725	27,258,556	4,982,946	18.28

TITLE AND DETAILS	Approved Q4 Development Budget	Cumulative Expenditure	Absorption (%)
General Administration and Planning	4,450,000.00	-	0.00
Planning, Development Control, Transport and Infrastructure	7,850,000.00	-	0.00
Environment, Culture, Recreation and Community Development	6,750,000.00	-	0.00
<i>Total Net Expenditure vote D3725</i>	<i>19,050,000.00</i>	<i>-</i>	<i>0.00</i>