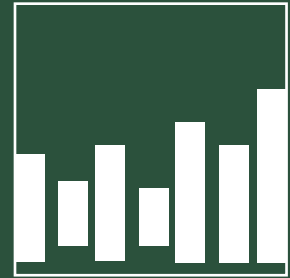


KITUI COUNTY



BUDGET IMPLEMENTATION REPORT

FY2024/25
QUARTER ONE



**MINISTRY OF FINANCE, ECONOMIC
PLANNING AND REVENUE
MANAGEMENT**

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FOREWORD

The Budget Implementation Reports, crafted in strict adherence to the Public Finance Act of 2012, serve as a critical tool for fiscal oversight within the County. These reports are meticulously compiled on a quarterly and annual basis, providing a comprehensive analysis of the County's financial activities, including both revenues and expenditures, for the respective periods under scrutiny.

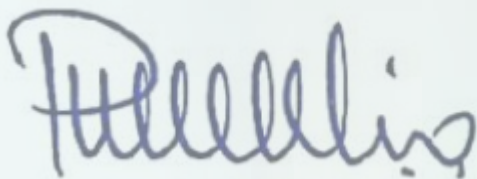
In a detailed manner, the reports dissect the expenditures by allocating them to the relevant Ministries, juxtaposed against their allocated budgets. This granular approach facilitates the calculation of the absorption rates for each Ministry, offering a clear view of budget utilization.

The reports delve into the revenue streams flowing into the County's coffers, meticulously itemizing the amounts accrued from each source during the review period. Internal revenue sources undergo a rigorous comparison against predefined targets, thereby evaluating the County's efficacy in revenue collection. Concurrently, the reports scrutinize external revenue channels, such as grants, loans, and funds from the National government, to ascertain the extent of their contribution in augmenting local revenues and supporting the County's expenditures.

Each Ministry's financial outlay is juxtaposed with the quarterly budgetary estimates to ascertain the absorption rates for the quarters. The Budget Implementation Report categorizes expenditures into two main types: recurrent and development. Recurrent expenditures are further segmented into personal emoluments and operations & maintenance costs, ensuring a transparent and accountable budgetary process.

At the culmination of the Financial Year, an annual Budget Implementation Report is prepared. This report is pivotal in analyzing the cumulative fiscal performance of the County, encompassing the totality of expenditures against the annual budget and the revenues amassed during the year.

Moreover, the Budget Implementation Report does not shy away from addressing the challenges encountered during budget execution. It provides a candid assessment of the hurdles faced and proposes potential remedies, thereby fostering a culture of continuous improvement in fiscal management. This proactive stance ensures that the County remains on a path of prudent financial stewardship, aligned with the overarching goals of economic development and sustainability.



Peter Mwikya Kilonzo

County Executive Committee Member

Ministry of Finance, Economic Planning and Revenue Management

ACKNOWLEDGEMENT

The development of the Budget Implementation Report for FY2024/25 Quarter one was a collaborative endeavor, drawing upon a wealth of data and insights from across the various sectors, departments, and spending entities within the County Government of Kitui. This comprehensive document is the result of the collective efforts and unwavering dedication of numerous individuals, to whom I owe a debt of gratitude.

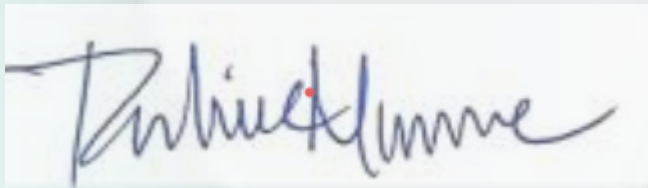
At the forefront, I must extend my deepest appreciation to His Excellency Governor Julius Malombe, whose visionary leadership and steadfast support have been instrumental in guiding this process. His commitment to fiscal responsibility and transparency has set the tone for the meticulous preparation of this report.

I am particularly indebted to Mr. Peter Mwikya Kilonzo, the esteemed County Executive Committee Member for the Ministry of Finance, Economic Planning, and Revenue Management. His technical expertise and insightful contributions have been invaluable in shaping the analytical framework of this paper.

The backbone of this undertaking has been the Chief Officers of the County. Their leadership in marshaling their respective teams to furnish the necessary data has been pivotal. Their role cannot be overstated, and I am profoundly thankful for their cooperation and diligence.

I must also commend my dedicated team of economic planners. Their tireless work behind the scenes, often extending beyond the call of duty, has been a testament to their professionalism and commitment to excellence.

Lastly, but certainly not least, I wish to acknowledge the silent contributors—those individuals whose indirect support may go unnoticed but is nonetheless essential. Their contributions have been the threads that weave together the fabric of this report's success.



Patrick Masila Munuve
Chief Officer
Economic Planning and Budgeting

EXECUTIVE SUMMARY

This report provides a comprehensive overview of Kitui County's financial performance for the first quarter of FY2024/25, analyzing key aspects such as revenue collection, budget trends, pending bills, and emerging issues. The objective is to evaluate the county's fiscal health and propose actionable recommendations to enhance operational efficiency and financial sustainability.

1. Budget Trend Analysis

Kitui County has seen a gradual increase in its budget over the past several financial years. The total resource envelope grew from Ksh 10.83 billion in FY2018/2019 to Ksh 12.96 billion in FY2024/25, reflecting a steady rise in available funds for development and recurrent expenditures. Notably, the county's budget has been characterized by an upward trend, with significant year-on-year increases, particularly in FY2022/2023, where the budget surged to Ksh 12.39 billion, and FY2023/2024, which saw a rise to Ksh 14 billion. However, the disparity between projected revenue and actual receipts poses a challenge in fully leveraging the county's financial resources.

2. Revenue Collection Performance

In FY2024/25 Quarter One, Kitui County faced challenges in meeting its revenue targets. The county's total revenue collection was Ksh 112.16 million, falling short of the Ksh 150 million target, reflecting only 74.77% of the expected income. The major contributors to this shortfall were a lack of public awareness, resistance from businesspeople, and limited automation in the revenue collection processes. Despite this, some sectors such as the Ministry of Agriculture & Livestock demonstrated strong performance, surpassing their targets by over 187%.

The county has also experienced delays in the collection of local taxes and business levies, exacerbating the revenue shortfall. A lack of comprehensive business databases, inadequate enforcement mechanisms, and poor public awareness of revenue requirements are significant barriers.

3. Pending Bills

At the close of Quarter One, the county reported a total of Ksh 1.29 billion in paid pending bills, with significant amounts across various lots. However, there remains a total of Ksh 168.91 million in unpaid bills, primarily in the areas of development and service contracts. These unpaid bills create liquidity constraints, affecting the county's ability to implement projects and meet its obligations to suppliers and contractors.

The county has made notable efforts to address the backlog, but the continued accumulation of pending bills is a concern that requires urgent attention. Managing cash flow to clear these liabilities and avoid future delays in service delivery is crucial.

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 TREND FROM FY 2018/2019 TO 2024/2025

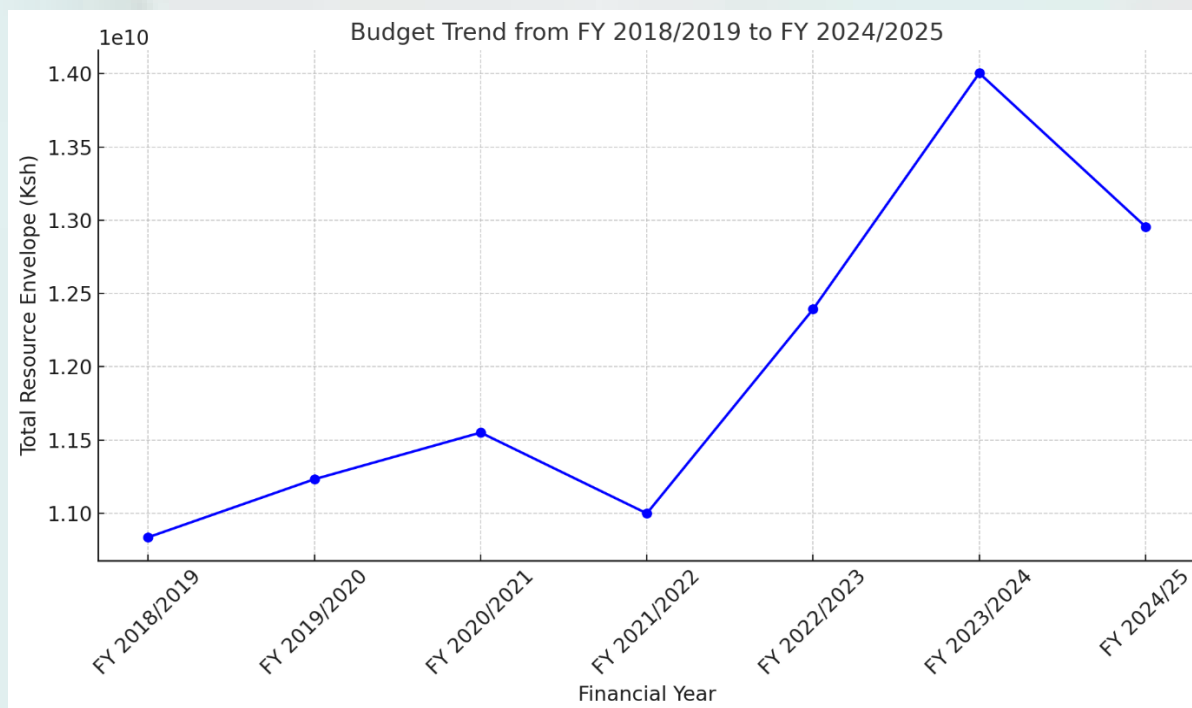
The budget trend presented from FY 2018/2019 to FY 2024/2025 highlights a steady growth in the total resource envelope, reflecting the county's progressive fiscal strategy. In FY 2018/2019, the total resource envelope was Ksh 10,835,633,222. Over the next year, FY 2019/2020, this amount increased marginally to Ksh 11,231,977,621, marking a rise of approximately 3.7%. This upward trajectory continued in FY 2020/2021, with a further increase to Ksh 11,550,477,465, showing an expansion of about 2.8% from the previous year.

However, in FY 2021/2022, the total resource envelope slightly decreased to Ksh 10,898,567,165, a reduction of 5.6%. This drop could be attributed to various fiscal constraints, including revenue shortfalls or reallocation to other priority areas. But the following year, FY 2022/2023, saw a rebound, with the total resource envelope growing to Ksh 12,392,524,775, reflecting a 13.7% increase. This surge signals the county's efforts to bolster its financial capacity and implement development projects.

In FY 2023/2024, the resource envelope further expanded to Ksh 14,004,288,437, a significant increase of 13.1%. The budget for FY 2024/2025, though slightly reduced to Ksh 12,956,277,438, still maintains a steady level of financial resources, ensuring the continued execution of ongoing and new projects. This budgetary growth signifies the county's commitment to enhancing its fiscal base, addressing developmental needs, and achieving financial sustainability.

Table 1: Budget trend from F2018/2019 to FY 2024/2025

Financial Ye	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024	FY2024/25
Total Resource Envelope	10,835,633,222	11,231,977,621	11,550,477,465	10,898,567,165	12,392,524,775	14,004,288,437	12,956,277,438



Budget Highlights for FY 2024/2025

This table outlines the projected resource envelope for the fiscal year 2024/2025, divided into three main sources of funding: **Equitable Share, Grants, and Own Revenue**. The total estimated resources for the county government amount to **KES 12,956,277,438**, with a breakdown of funding sources as follows:

1. Equitable Share:

The equitable share represents the largest portion of the resource envelope, amounting to **KES 11,244,322,462**. This funding is provided by the national government as part of the revenue-sharing formula.

Source	Projected Estimates (KES)
Equitable Share	11,244,322,462
Transfer of Library Services	-
Subtotal Equitable Share	11,244,322,462

2. Grants:

Grants are funds received from various development partners and programs. These include specific projects such as road maintenance, agricultural development, and health programs.

Source	Projected Estimates (KES)
Road Maintenance Fuel Levy	445,098,850
Grants from World Bank (KDSP)	37,500,000
World Bank (Emergency Locust Response Project)	121,025,000
IDA (World Bank) Credit (National Agricultural Value Chain Development Project)	151,515,152
HSSP/HSPS (DANIDA/IDA)	13,601,250
County Aggregation and Industrial Parks Programme	250,000,000
Community Health Promoters	58,050,445
Kenya Urban Support Project (UIG) - World Bank	35,000,000
Allocation for Court Fines	50,000
Allocation for 20% Share of Mineral Royalties	114,279
Subtotal Grants	1,111,954,976

3. Own Revenue:

This includes locally generated revenue from various ministries and entities. The total own revenue projected for FY2024/25 is **KES 600,000,000**.

County Ministry/Entity	Projected Estimates (KES)
Office of the Governor	14,839,376
Office of the Deputy Governor	109,921
Ministry of Water and Irrigation	2,218,585
Ministry of Education, Training & Skills Development	109,921
Ministry of Roads, Public Works & Transport	3,546,061
Ministry of Health and Sanitation	359,488,027
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	3,352,600
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	6,340,848
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	219,843
Ministry of Finance, Economic Planning & Revenue Management	90,049,834
Ministry of Agriculture & Livestock	10,753,290
Ministry of Lands, Housing & Urban Development	26,739,278
Kitui Municipality	54,523,622
Mwingi Town Administration	27,708,793
Subtotal Own Revenue	600,000,000

Total Resource Envelope:

The combined total of the three sources of funding gives the county a resource envelope of **KES 12,956,277,438**, with the following breakdown by percentage:

Source	% of Total Resource Envelope
Equitable Share	87%
Grants	9%
Own Resources	5%
Total	100%

Key Observations:

- **Equitable Share** dominates the budget, making up 87% of the total resources. This aligns with the county's dependence on national government transfers.
- **Grants** provide an important supplementary role, contributing 9% of the total budget. These funds are mostly directed towards specific development programs, such as infrastructure and health.
- **Own Revenue** accounts for 5%, reflecting the county's efforts to generate local resources, but still reliant on national support for the majority of funding.

This resource envelope provides a comprehensive view of the expected financial resources for the county and outlines the major funding streams supporting the planned activities for FY2024/25.

Budget Summary by Spending Entity/Ministry for FY2024/25

This summary presents the budget estimates for various ministries within the County for the fiscal year 2024/25. The figures are categorized by Recurrent Expenditure, Development Expenditure, and the Total Budget for each entity. The total budget for the county government for FY2024/25 is **KES 12,956,277,438**.

Key Observations:

- **Ministry of Health & Sanitation:**
With a budget of **KES 3,852,172,162** (30% of the total budget), this ministry receives the highest share of the county budget. The ministry's allocation is largely directed towards both recurrent and development activities aimed at improving health services.
- **Office of the Governor:**
The Governor's office receives a significant share of the budget, totaling **KES 2,032,933,603** (16%), with a focus on both personnel emoluments and operational maintenance to support governance functions.
- **Ministry of Education, Training & Skills Development:**
This ministry is allocated **KES 1,043,425,266** (8%), supporting education, training, and skills development initiatives across the county.
- **Ministry of Roads, Public Works & Transport:**
A substantial budget of **KES 944,374,905** (7%) is allocated to roads and transport infrastructure, which is vital for improving transportation networks and public works in the county.
- **Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives:**
Receiving **KES 723,241,575** (6%), this ministry's budget aims to foster trade, industry growth, and support for MSMEs and cooperative ventures within the county.
- **Kitui Municipality & Mwingi Town Administration:**
These entities receive relatively smaller portions, totaling **KES 165,658,280** (1%) for Kitui Municipality and **KES 92,890,759** (1%) for Mwingi Town Administration. This budget is aimed at

improving local governance and infrastructure.

- **County Assembly Service Board:**

The County Assembly is allocated **KES 1,100,630,000** (8%), funding both recurrent costs and operational needs for the county's legislative arm.

Analysis:

- **Health & Sanitation** remains the top priority sector, consuming 30% of the total county budget, which aligns with the ongoing efforts to expand health services and infrastructure.
- **Infrastructure and Roads:** Significant investments in **Ministry of Roads, Public Works & Transport** (7%) and **Ministry of Water & Irrigation** (6%) underline the county's commitment to improving infrastructure.
- **Education and Trade** receive substantial allocations, signaling the importance placed on human capital development and economic diversification.
- **Lower Allocations for Municipalities:** With only 1% of the budget allocated to each of Kitui Municipality and Mwingi Town Administration, there is limited funding for local administrative development.

Budget Summary by Spending Entity for FY2024/25

County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	%
	PE	O&M				
Office of the Governor	508,750,023	636,428,416	1,145,178,439	887,755,163	2,032,933,603	16%
Office of the Deputy Governor	67,995,241	84,910,065	152,905,306	41,502,808	194,408,114	2%
Ministry of Water & Irrigation	92,191,299	53,231,948	145,423,247	569,780,836	715,204,083	6%
Ministry of Education, Training & Skills Development	792,641,583	163,826,190	956,467,773	86,957,493	1,043,425,266	8%
Ministry of Roads, Public Works & Transport	155,338,312	58,952,011	214,290,323	730,084,582	944,374,905	7%
Ministry of Health & Sanitation	2,634,866,339	1,018,631,094	3,653,497,433	198,674,729	3,852,172,162	30%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	85,147,508	106,744,436	191,891,944	531,349,631	723,241,575	6%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	51,627,213	74,414,131	126,041,344	173,509,734	299,551,078	2%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	69,159,768	68,571,156	137,730,924	68,560,406	206,291,330	2%
Ministry of Finance, Economic Planning & Revenue Management	221,304,941	152,381,199	373,686,139	63,125,000	436,811,139	3%
County Public Service Board	29,665,152	37,201,506	66,866,658	10,000,000	76,866,658	1%
County Assembly Service Board	468,287,168	594,300,824	1,062,587,992	38,042,008	1,100,630,000	8%
Kitui Municipality	33,636,755	46,559,814	80,196,569	85,461,711	165,658,280	1%
Mwingi Town Administration	31,360,891	31,710,868	63,071,759	29,819,000	92,890,759	1%
Ministry of Agriculture & Livestock	260,189,069	107,480,188	367,669,257	342,629,871	710,299,128	5%
Ministry of Lands, Housing and Urban Development	56,983,440	30,592,194	87,575,634	273,943,725	361,519,359	3%
TOTALS	5,559,144,702	3,265,936,039	8,825,080,741	4,131,196,697	12,956,277,438	100%

Budget Allocation by Programme for FY 2024/2025

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	RECURRENT ESTIMATES	DEVELOPMENT ESTIMATES	TOTAL
		Kshs	Kshs	Kshs
Office of The Governor	Total	1,145,178,439	887,755,163	2,032,933,603
	0701003710 P1: General Administration Planning and Support Services	835,578,023	798,774,535	1,634,352,558
	0703003710 P3: Enforcement Unit	14,770,000	-	14,770,000
	0704003710 SP 4.0 Human Resource Management Unit	17,720,000	-	17,720,000
	0705003710 SP 5.0 Special Programmes	8,870,000	-	8,870,000
	0706003710 SP 4.0 Records Management	12,120,000	-	12,120,000
	0707003710 SP 7.0 Policy Development and Coordination	5,600,000	-	5,600,000
	0703003710 P3 Legal and Head of Public Service Administration (Office of the County Secretary)	19,439,000	-	19,439,000
	0704003710 SP 4.1 Public Communication	7,020,350	-	7,020,350
	Public Relations and Customer Care	1,208,700	-	1,208,700
	SEKEB and Intergovernmental Relations	46,255,194	-	46,255,194
	0707003710 P8: Monitoring and Evaluation	6,879,683	-	6,879,683
	Protocol Unit	4979053.6	0	4,979,054
	Office of the County Attorney	33,006,000	-	33,006,000
	Office of the Chief of Staff	41,053,000	-	41,053,000
	0705003710 P6: County Government Administration and Field Services	58,056,988	88,980,628	147,037,616
0706003710 P7: Devolution Services	17,599,050	-	17,599,050	
0709003710 P9: Cabinet Affairs	15,023,399	-	15,023,399	
Office of The Deputy Governor	Total	152,905,306	41,502,808	194,408,114
	0701003710 P1: General Administration Planning and Support Services	25,440,142	-	25,440,142
	100303 SP. 2.2 Wildlife Conservation and Security	24,204,735	2,527,261	26,731,996
	0305003710 P2: Tourism Development and Promotion	34,889,216	2,000,000	36,889,216
	SP 3.2 0305033710 Tourism Infrastructure Development	10,955,125	17,625,547	28,580,672
	Performance Contracting, Disaster and Emergency Services	45,261,946	-	45,261,946
	SP2. 0717023710. Disaster and Emergency Services	12,154,142	19,350,000	31,504,142
Agriculture, Water & Irrigation	Total	145,423,247	569,780,836	715,204,083
	0101003710 P1: General Administration Planning and Support Services	97,342,305	-	97,342,305
	0111003710 P8: Water Resources Management Administration Services	19,099,366	-	19,099,366
	0111003710 P.4 Water Resources Management	8,853,796	308,227,045	317,080,841
	0111023710 SP. 8.2 Water Supply Infrastructure	7,587,195	86,401,951	93,989,146
	0104003710 P2: Irrigation Development and Management(12,540,586	175,151,840	187,692,426

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	RECURRENT ESTIMATES	DEVELOPMENT ESTIMATES	TOTAL
		Kshs	Kshs	Kshs
Education, Training & Skills Development	Total	956,467,773	86,957,493	1,043,425,266
	0501003710 P1: General Administration, Planning and Support Services	799,987,769	-	799,987,769
	0502003710 P2: Primary Education	110,872,002	47,160,698	158,032,700
	0507003710 P4: Youth Training and Development	24,611,660	37,796,795	62,408,455
	0503003710 P5: Quality Assurance and Standards	20,996,342	2,000,000	22,996,342
Roads, Public Works & Transport	Total	214,290,323	730,084,582	944,374,905
	0101003710 P1: General Administration Planning and Support Services	162,915,312	-	162,915,312
	0109003710 P4: Government Buildings	5,609,300	9,080,000	14,689,300
	0110003710 P5: Road Transport	6,281,300	586,060,120	592,341,420
	0110003710 P5. Transport and Boda Boda Secto	39,484,411	134,944,462	174,428,873
Health & Sanitation	Total	3,653,497,433	198,674,729	3,852,172,162
	0401003710 P1: General Administration, Planning & Support Services	927,358,559	2,157,207	929,515,766
	SP. 1.20401033710 SP. 1.3 HEALTH STANDARDS, QUALITY ASSURANCE & STANDARD	3,000,000	-	3,000,000
	SP. 1.3 0401023710 SP. 1.2 HEALTH POLICY, PLANNING & FINANCING	101,507,362	112,217,939	213,725,301
	SUB PROGRAMME: SP. 4.2 (040201) County Referral Services	1,370,000	-	1,370,000
	4.5 HOSPITAL FIF /COST SHARING REFUNDS FOR THE 11 COUNTY HOSPITALS	399,656,250	10,044,000	409,700,250
	PROGRAMME: P.3 (040100) PREVENTIVE & PROMOTIVE HEALTH SERVICES	1,065,101,854	19,411,165	1,084,513,019
	SUB PROGRAMME: '0404043710 PRIMARY CARE NETWORKS	2,000,000	3,557,250	5,557,250
	SUB PROGRAMME: 0404033710 SP. 2.2 IMMUNIZATION AND DISEASE SURVEILLANCE	3,244,170	-	3,244,170
	SP. 4.3 0403033710 SUB PROGRAMME: 2.6:(040401) HEALTH PROMOTION	2,659,869	-	2,659,869
	2.5 SUB PROGRAMME: 2.4 (040301) COMMUNICABLE DISEASE CONTROL	4,042,443	-	4,042,443
	2.5 2.6SUB PROGRAMME: 2.5 (040302) NON-COMMUNICABLE DISEASE PREVENTION & CONTROL	1,681,200	-	1,681,200
	2.5 2.6:SUB PROGRAMME: 2.6:(040401) HEALTH PROMOTION	2,302,574	-	2,302,574
	2.5 2.6:SP. 3.3 (040402) Specilaised Services	3,627,337	-	3,627,337
	PROGRAMME: P.4 (040200) CURATIVE HEALTH SERVICES	1,135,945,814	51,287,168	1,187,232,982
Trade, Industry, MSMEs, Innovations & Cooperatives	Total	191,891,944	531,349,631	723,241,575
	0301003710 P1: General administration and support-H/Qs	110,140,058	-	110,140,058
	0303003710 P2: Trade development and Promotion	22,188,443	85,849,631	108,038,074
	030702 S.P 2.2 Fair Trade Practice and Consumer Protection	14,716,475	443,000,000	457,716,475
	030400 P 3 Cooperative Development and Management	28,331,629	-	28,331,629
	Sub-programme: 030403 SP. 3.2 Marketing, Value Addition and Research	16,515,339	2,500,000	19,015,339

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	RECURRENT ESTIMATES	DEVELOPMENT ESTIMATES	TOTAL
		Kshs	Kshs	Kshs
Energy, Environment, Forestry, Natural & Mineral Resources	Total	126,041,344	173,509,734	299,551,078
	1001003710 P1 General Administration, Planning and Support Services	39,584,360	-	39,584,360
	1002003710 P2 Environment Management and Protection	17,238,434	500,000	17,738,434
	100400 P1 Waste Management	992,178	-	992,178
	1006003710 P4 Climate Change Adaptation and Mitigation	1,294,218	57,636,701	58,930,919
	100300 P1 Natural Resources Conservation and Management	1,748,179	15,445,014	17,193,193
	100200 P1 Environmental Management and Protection	1,300,642	-	1,300,642
	021300 P 5: Power Transmission and Distribution	9,822,841	40,000,000	49,822,841
	021400 P 6: Alternative Energy Technologies	3,926,462	49,447,732	53,374,194
	Sub programme: 021203 Community sensitization and awareness creation in minerals rich areas	5,760,877	2,000,000	7,760,877
	Sub programme: 100701 Training and Capacity building	1,644,445	800,000	2,444,445
	100900 P.8. Mineral Resources Management	39,500,000	-	39,500,000
100900 P.8. Mineral Resources Management	3,228,708	7,680,287	10,908,995	
Culture, Gender, Youth, ICT, Sports and Social Services	Total	137,730,924	68,560,406	206,291,330
	0301003710 P1: General Administration, Planning and Support Services	74,134,585	-	74,134,585
	071103 S.P.4.2 Youth Development Services	8,335,246	2,626,501	10,961,747
	021000 P3 ICT Infrastructure Development	6,122,800	2,216,000	8,338,800
	090100 P.3 Sports	17,464,600	-	17,464,600
	090102 SP. 3.2 Development and Management of Sports Facilities	937,400	53,000,000	53,937,400
	071106 S.P.2.2 Gender	6,623,813	532,905	7,156,718
	090200 P.4 Culture Conservation of Heritage	9,881,100	10,185,000	20,066,100
	090800 P 5: Social Development and Children Services	12,090,600	-	12,090,600
090803 S.P 5.2: Child Community Support Serv	2,140,780	-	2,140,780	
Finance, Economic Planning & Revenue Management	Total	373,686,139	63,125,000	436,811,139
	0701003710 P1: General Administration, Planning and Support Services	273,097,524	63,125,000	336,222,524
	0710003710 P2: Economic Policy and County Planning	21,304,968	-	21,304,968
	071802 SP 4.2 Budget Formulation Coordination and Management	13,329,321	-	13,329,321
	0711003710 P3: Monitoring and Evaluation Services	4,473,424	-	4,473,424
	071800 P 4: Public Financial Management	33,728,219	-	33,728,219
	071803 SP 2.3 Audit Services	6,958,400	-	6,958,400
	071804 SP 2.5 Financial Services	13,985,355	-	13,985,355
0704003710 P4: Department of Supply Chain Management Services	6,808,928	-	6,808,928	

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	RECURRENT ESTIMATES	DEVELOPMENT ESTIMATES	TOTAL
		Kshs	Kshs	Kshs
County Public Service Board	Total	66,866,658	10,000,000	76,866,658
	0701003710 P1: General Administration, Planning and Support Services	43,423,152	-	43,423,152
	0713003710 P2: Human Resource Management and Development	9,427,000	-	9,427,000
	072600 P.2 Human Resource Management and Developmen	8,024,200	-	8,024,200
	0714003710 P3: Governance and County Values	5,992,306	10,000,000	15,992,306
County Assembly Service Board	Total	1,062,587,992	38,042,008	1,100,630,000
	0701013710 P1: General Administration, Planning and Support Services	383,550,294	-	383,550,294
	0715013710 P2: Legislation, Representation and Oversight	679,037,698	38,042,008	717,079,706
Kitui Municipality	Total	80,196,569	85,461,711	165,658,280
	0201003710 P1: General Administration Planning and Support Services	51,454,569	27,600,000	79,054,569
	073000 P.1 Control and Management of Public finances	5,796,000	4,300,000	10,096,000
	0202003710 P.2 Planning, Development Control, Transport and Infrastructure	4,439,000	43,500,000	47,939,000
	030700 P 3: Trade Development and Promotion	3,649,000	3,000,000	6,649,000
	Environment, Culture, Recreation and Community Development	14,858,000	7,061,711	21,919,711
Mwingi Town Administration	Total	63,071,759	29,819,000	92,890,759
	0201003710 P1: General Administration Planning and Support Services	46,928,010	5,000,000	51,928,010
	P2 Government Buildings	7,101,543	3,819,000	10,920,543
	P3 Urban and Metropolitan Development	6,571,220	10,500,000	17,071,220
	SP.3.2 Safety and Emergency	580,000	-	580,000
	SP.3.3 Urban Markets Development	152,323	2,500,000	2,652,323
	1001000000 Environmental Policy Management	1,321,200	8,000,000	9,321,200
	0706003710 P5: Devolution Services	417,463	-	417,463
Agriculture & Livestock	Total	367,669,257	342,629,871	710,299,128
	0101003710 P1: General Administration Planning and Support Services	216,124,641	-	216,124,641
	0102003710 P2: Land and Crops Development(Crop Development and Management)	9,908,038	122,744,809	132,652,847
	0103003710 P3: Agribusiness and Information Management (Farm development and Agribusiness development)	42,954,588	167,724,258	210,678,846
	P 4: Agricultural Extension Services and Training	21,390,034	29,744,121	51,134,155
	0105003710 P2: Fisheries Development and Management	2,810,676	-	2,810,676
	0101003710 P1: General Administration Planning and Support Services	59,690,830	-	59,690,830
	0106003710 P 3: Livestock Resources Management and Development	7,359,372	11,200,000	18,559,372
0106023710 SP 3.2 Livestock Diseases Management and Control	7,431,078	11,216,683	18,647,761	

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	RECURRENT ESTIMATES	DEVELOPMENT ESTIMATES	TOTAL
		Kshs	Kshs	Kshs
Lands, Housing & Urban Development	Total	87,575,634	273,943,725	361,519,359
	0101003710 P1: General Administration Planning and Support Services	64,698,840	-	64,698,840
	010700371 P3. Housing Development and Human Settlement	2,062,400	-	2,062,400
	P2. Land Policy and Planning	3,965,000	4,831,598	8,796,598
	SP 2.2. Land Survey	6,094,484	-	6,094,484
	SP 2.3. Land Adjudication	5,138,800	15,800,000	20,938,800
	0107003710: Urban Development and Human Settlement	5,616,110	253,312,127	258,928,237
Total Voted Expenditure Kshs		8,825,080,741	4,131,196,697	12,956,277,438
	County Executive	7,762,492,749	4,093,154,689	11,855,647,438
	County Assembly	1,062,587,992	38,042,008	1,100,630,000
	Total County Budget	8,825,080,741	4,131,196,697	12,956,277,438
	PERCENTAGE	68%	32%	100%

2.0 REVIEW OF Q1-FY2024/25 FISCAL PERFORMANCE

The first quarter of FY2024/25 presents a sobering yet instructive snapshot of our fiscal performance. Out of the approved budget of KES 6,632,373,054, only KES 2,105,090,045—an absorption rate of 31.74%—was utilized. This reality underscores the need to confront inefficiencies head-on while reasserting our commitment to achieving the intended impact of these resources.

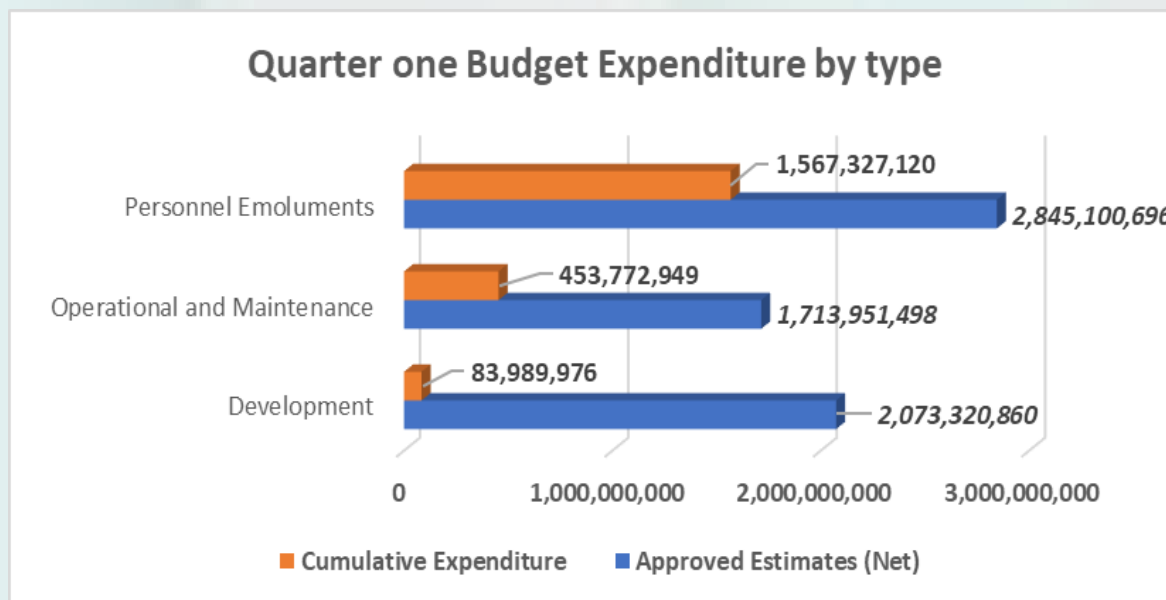
In the **Development Expenditure** category, KES 2,073,320,860 was allocated, yet only KES 83,989,976—just 4.05%—was absorbed. This leaves a staggering variance of KES 1,989,330,884. Such underperformance cannot be brushed aside as mere statistics; it signals delays in project implementation and a missed opportunity to drive transformative growth where it’s needed most.

The **Operational and Maintenance Costs**, earmarked at KES 1,713,951,498, achieved an absorption rate of 26.48%, with KES 453,772,949 spent. While this performance is better, a variance of KES 1,260,178,545 reveals significant room for improvement. We must ask ourselves: Are we optimizing our processes to meet operational demands efficiently?

Finally, **Personnel Emoluments**, our largest expenditure item, saw a more robust absorption rate of 55.09%. Out of KES 2,845,100,696 allocated, KES 1,567,327,120 was expended. Yet even here, a variance of KES 1,277,773,572 calls for greater precision in our disbursement schedules and workforce planning.

FY2024/25 Quarter one Budget Expenditure by type

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Development	2,073,320,860	83,989,976	1,989,330,884	4.05
Operational and Maintenance	1,713,951,498	453,772,949	1,260,178,545	26.48
Personnel Emoluments	2,845,100,696	1,567,327,120	1,277,773,572	55.09
Grand Total	6,632,373,054	2,105,090,045	4,527,283,001	31.74



2.1 Expenditure Analysis by Spending Entity

The expenditure performance for the first quarter of FY2024/25 unveils critical disparities across spending entities, reflecting varying levels of budget absorption and operational efficiency. From the approved total of KES 6,632,373,054, cumulative expenditure stood at KES 2,105,090,045, representing an absorption rate of 31.74%.

High Performers:

The **Health and Sanitation** ministry demonstrated the most significant budgetary utilization, with an absorption rate of 66.26%. Of its KES 1,926,086,079 allocation, KES 1,276,132,707 was expended, leaving a variance of KES 649,953,372. The **County Assembly**, with a 42.41% absorption rate, also fared relatively well, disbursing KES 233,378,599 of its KES 550,315,002 allocation.

Moderate Performers:

The **Office of the Governor** recorded a 28.08% absorption rate, with KES 318,164,119 spent from its allocation of KES 1,133,141,869. Similarly, the **Ministry of Agriculture and Livestock** achieved a 30.28% absorption, reflecting a KES 107,534,592 expenditure against a KES 355,149,566 allocation.

Low Performers:

Several entities exhibited minimal absorption, raising concerns about underutilization. The **Ministry of Roads, Public Works, and Transport** managed only 0.18%, spending KES 873,350 out of KES 472,187,453. The **Ministry of Lands, Housing, and Urban Development** absorbed just 0.14%, spending KES 248,760 of its KES 180,759,681 allocation. Other underperformers include the **Ministry of Education, Training, and Skills Development** (1.78%) and the **Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services** (0.67%).

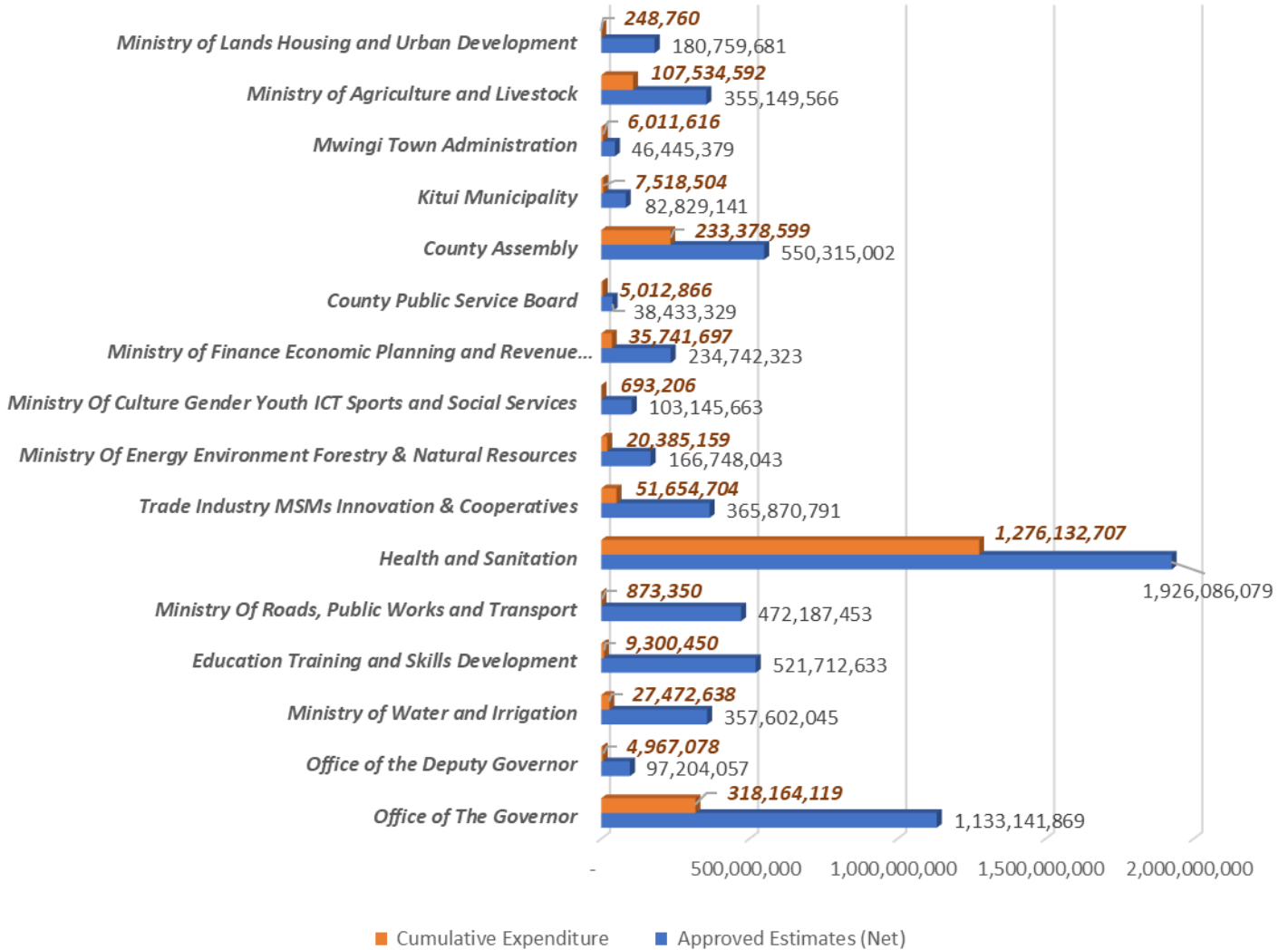
Overall Reflection:

With a cumulative variance of KES 4,527,283,001, this data underscores the need for targeted interventions to address bottlenecks and inefficiencies, especially in low-performing sectors. Strategic reallocation, improved project management, and enhanced operational oversight are imperative to ensure that allocated resources drive tangible progress and impact across all entities.

Expenditure Classification by Spending Entity

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Office of The Governor	1,133,141,869	318,164,119	814,977,749	28.08
Office of the Deputy Governor	97,204,057	4,967,078	92,236,979	5.11
Ministry of Water and Irrigation	357,602,045	27,472,638	330,129,407	7.68
Education Training and Skills Development	521,712,633	9,300,450	512,412,183	1.78
Ministry Of Roads, Public Works and Transport	472,187,453	873,350	471,314,103	0.18
Health and Sanitation	1,926,086,079	1,276,132,707	649,953,372	66.26
Trade Industry MSMs Innovation & Cooperatives	365,870,791	51,654,704	314,216,084	14.12
Ministry Of Energy Environment Forestry & Natural Resources	166,748,043	20,385,159	146,362,884	12.23
Ministry Of Culture Gender Youth ICT Sports and Social Services	103,145,663	693,206	102,452,457	0.67
Ministry of Finance Economic Planning and Revenue Management	234,742,323	35,741,697	199,000,625	15.23
County Public Service Board	38,433,329	5,012,866	33,420,463	13.04
County Assembly	550,315,002	233,378,599	316,936,400	42.41
Kitui Municipality	82,829,141	7,518,504	75,310,637	9.08
Mwingi Town Administration	46,445,379	6,011,616	40,433,763	12.94
Ministry of Agriculture and Livestock	355,149,566	107,534,592	247,614,974	30.28
Ministry of Lands Housing and Urban Development	180,759,681	248,760	180,510,921	0.14
Grand Total	6,632,373,054	2,105,090,045	4,527,283,001	31.74

Q1 Expenditure Classification by Spending Entity



2.2 Expenditure Analysis by Economic classification

An evaluation of expenditure across economic items for FY2024/25's first quarter underscores notable disparities in budget utilization. From an approved estimate of KES 6,632,373,054, a cumulative KES 2,105,090,045 was expended, yielding an absorption rate of 31.74%.

Recurrent Expenditure:

Recurrent expenses, comprising compensation, operational costs, and grants, accounted for KES 4,559,052,194 in approved estimates. Of this, KES 2,021,100,069 was utilized, achieving a relatively strong absorption rate of 44.33%.

- **Compensation to Employees** emerged as the most efficiently utilized category, with an absorption rate of 55.09%. KES 1,567,327,120 was expended against a KES 2,845,100,696 allocation, leaving a variance of KES 1,277,773,572.
- **Use of Goods and Services** reported a 22.82% absorption rate, reflecting KES 289,702,291 in expenditures against an allocation of KES 1,269,571,503. This substantial variance of KES 979,869,208 suggests bottlenecks in resource deployment for operational needs.
- **Current Grants and Transfers** (from equitable share) achieved a commendable 51.57% absorption, while **Social Benefits** reached 44.33%.

- **Acquisition of Non-Financial Assets**, however, lagged significantly, absorbing only 8.09% of its KES 121,678,166 allocation, while **Acquisition of Financial Assets** remained untouched, indicating procedural delays.

Capital Expenditure:

Capital expenditure, budgeted at KES 2,073,320,860, recorded an alarmingly low absorption rate of 4.05%, with only KES 83,989,976 expended.

- **Transfers to Government Entities**, specifically subsidies to KITWASCO and KIMWASCO, posted a near-perfect absorption rate of 99.64%, with KES 24,910,017 spent from KES 25,000,000.
- **Acquisition of Non-Financial Assets** accounted for the largest allocation at KES 1,818,187,190 but absorbed merely 2.31%, signaling substantial delays in capital project execution.
- **Capital Transfers to Government Agencies and Other Development Expenditures** exhibited absorption rates of 8.19% and 3.67%, respectively.

Overall Performance:

The aggregate variance of **Ksh. 4,527,283,001** highlights substantial inefficiencies, particularly in capital expenditure. To enhance fiscal prudence, immediate attention must be directed toward expediting procurement processes, strengthening project management, and ensuring timely disbursement mechanisms. Prioritizing these measures is vital for aligning fiscal outlays with developmental aspirations.

Expenditure Classification by Economic Items

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
2100000 Compensation to Employees	2,845,100,696	1,567,327,120	1,277,773,572	55.09
2200000 Use of goods and services	1,269,571,503	289,702,291	979,869,208	22.82
2600000 Current grants and other Transfers- (From Equitable Share)	277,001,736	142,836,097	134,165,639	51.57
2700000 Social Benefits	25,700,093	11,393,696	14,306,397	44.33
3100000 Acquisition of Non-Financial Assets	121,678,166	9,840,865	111,837,301	8.09
4100000 Acquisition of Financial Assets	20,000,000	-	20,000,000	-
Sub-Total	4,559,052,194	2,021,100,069	2,537,952,117	44.33
CAPITAL EXPENDITURE				
Capital Transfers Govt. Agencies	192,696,191	15,776,718	176,919,474	8.19
Non-Financial Asset	1,818,187,190	41,930,241	1,776,256,948	2.31
Other development	37,437,479	1,373,000	36,064,479	3.67
Transfers to other Government Entities (Subsidy to KITWASCO & KIMWASCO)	25,000,000	24,910,017	89,983	99.64
Sub-Total	2,073,320,860	83,989,976	1,989,330,884	4.05
Grand Total	6,632,373,054	2,105,090,045	4,527,283,001	31.74

2.3 Recurrent Expenditure Analysis

The recurrent expenditure for FY2024/25's first quarter reflects a broad spectrum of absorption rates across spending entities, revealing commendable progress in some areas while exposing inefficiencies in others. Out of the approved recurrent expenditure of **KES 4,559,052,194**, a cumulative **KES 2,021,100,069** was utilized, translating to an absorption rate of 44.33%.

High Performers:

The **Health and Sanitation Ministry** led with an impressive absorption rate of 69.86%, expending KES 1,276,132,707 from its allocation of KES 1,826,748,714. The **Ministry of Agriculture and Livestock**

followed with a solid performance at 58.50%, utilizing KES 107,534,592 of its KES 183,834,629 budget. The **Office of the Governor** also achieved a notable 46.16% absorption rate, spending KES 318,164,119 of its KES 689,264,287 allocation.

Moderate Performers:

The **County Assembly** posted a 43.93% absorption rate, with KES 233,378,599 expended from KES 531,293,998. Other entities, such as the **Ministry of Finance, Economic Planning, and Revenue Management** (16.92%) and **Kitui Municipality** (18.75%), exhibited moderate levels of budget utilization.

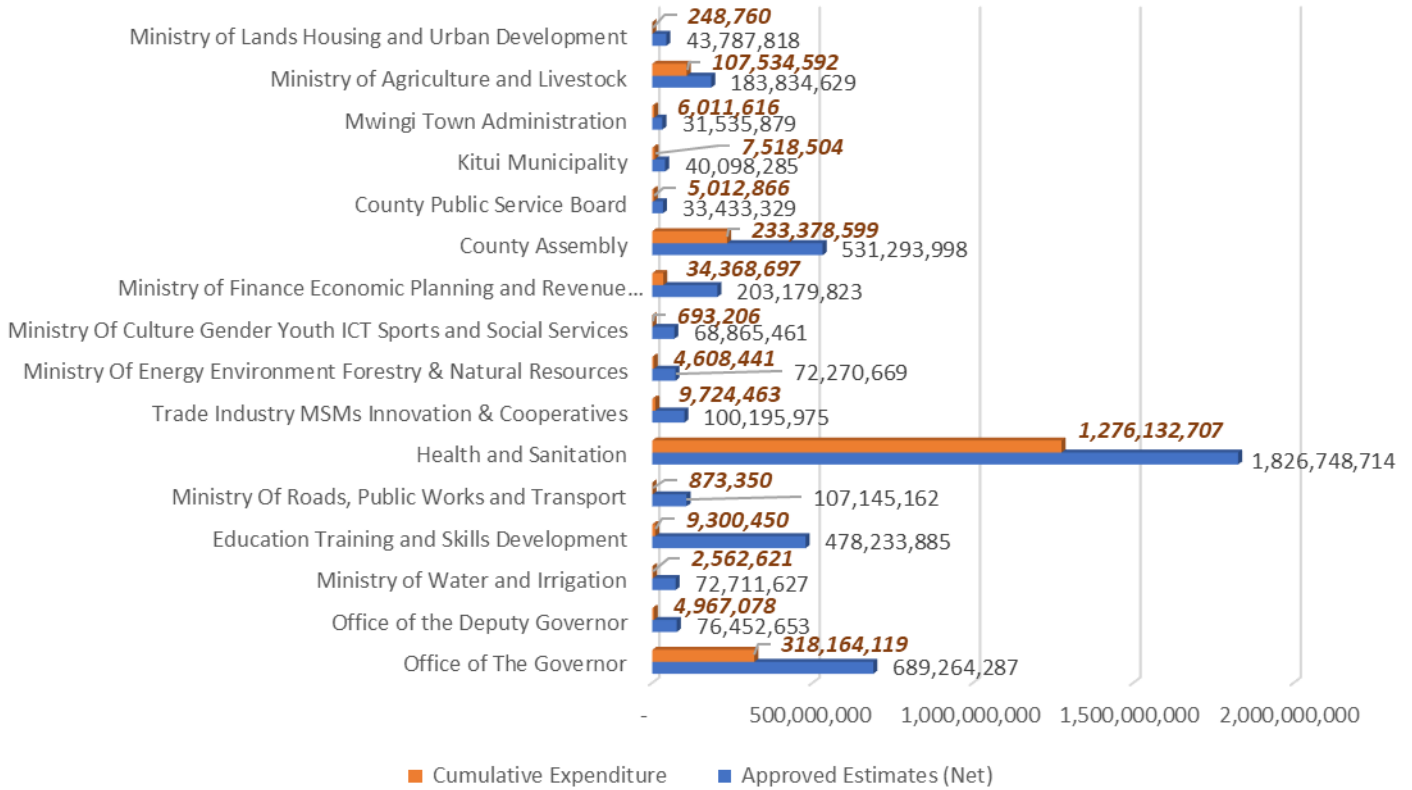
Low Performers:

Numerous entities recorded dismal absorption rates. The **Ministry of Lands, Housing, and Urban Development** absorbed only 0.57%, spending a mere KES 248,760 of its KES 43,787,818 allocation. The **Ministry of Roads, Public Works, and Transport** followed closely with 0.82%, and the **Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services** absorbed just 1.01%. These figures highlight significant delays or inefficiencies in recurrent expenditure execution.

Recurrent Expenditure Analysis

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Office of The Governor	689,264,287	318,164,119	371,100,167	46.16
Office of the Deputy Governor	76,452,653	4,967,078	71,485,575	6.50
Ministry of Water and Irrigation	72,711,627	2,562,621	70,149,006	3.52
Education Training and Skills Development	478,233,885	9,300,450	468,933,435	1.94
Ministry Of Roads, Public Works and Transport	107,145,162	873,350	106,271,812	0.82
Health and Sanitation	1,826,748,714	1,276,132,707	550,616,007	69.86
Trade Industry MSMs Innovation & Cooperatives	100,195,975	9,724,463	90,471,510	9.71
Ministry Of Energy Environment Forestry & Natural Resources	72,270,669	4,608,441	67,662,227	6.38
Ministry Of Culture Gender Youth ICT Sports and Social Services	68,865,461	693,206	68,172,255	1.01
Ministry of Finance Economic Planning and Revenue Management	203,179,823	34,368,697	168,811,125	16.92
County Assembly	531,293,998	233,378,599	297,915,396	43.93
County Public Service Board	33,433,329	5,012,866	28,420,463	14.99
Kitui Municipality	40,098,285	7,518,504	32,579,781	18.75
Mwingi Town Administration	31,535,879	6,011,616	25,524,263	19.06
Ministry of Agriculture and Livestock	183,834,629	107,534,592	76,300,037	58.50
Ministry of Lands Housing and Urban Development	43,787,818	248,760	43,539,058	0.57
Grand Total	4,559,052,194	2,021,100,069	2,537,952,117	44.33

Q1 Recurrent Expenditure Analysis



2.3.1 FY2024/25 Quarter One Operational and Maintenance Expenditure Analysis

The operational and maintenance expenditure for FY2024/25's first quarter demonstrates mixed performance across various spending entities. Out of the approved allocation of KES 1,713,951,498, cumulative expenditure reached KES 453,772,949, yielding an absorption rate of 26.48%.

Top Performers:

- The **County Assembly** achieved the highest absorption rate at 43.41%, expending KES 137,426,298 from its allocation of KES 316,570,554.
- The **Health and Sanitation Ministry** followed with a 38.55% absorption rate, reflecting an expenditure of KES 176,520,447 against its KES 457,927,545 allocation.
- **Mwingi Town Administration** exhibited a solid performance at 30.39%, spending KES 2,842,997 out of KES 9,355,434.

Moderate Performers:

- The **Ministry of Finance, Economic Planning, and Revenue Management** absorbed 32.99%, spending KES 30,524,551 of its KES 92,527,352 allocation.
- The **Trade, Industry, MSMEs, Innovation & Cooperatives Ministry** recorded an absorption rate of 17.11%, while **Kitui Municipality** achieved 15.77%.
- The **Office of the Governor** utilized 13.79%, spending KES 58,209,701 of its KES 422,086,791 budget.

Low Performers:

- The **Ministry of Lands, Housing, and Urban Development** demonstrated the lowest absorption at 1.63%, expending only KES 248,760 from its KES 15,296,098 allocation.
- The **Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services** similarly underperformed with an absorption rate of 2.02%.
- The **Ministry of Roads, Public Works, and Transport** followed closely at 3.03%, reflecting substantial delays or inefficiencies in operational expenditure.

General Observations:

The overall variance of KES 1,260,178,545 suggests underperformance in the deployment of operational funds across multiple entities. While key departments such as Health and the County Assembly demonstrated commendable absorption, several others, particularly in infrastructure and cultural affairs, lagged significantly.

Recommendations:

- **Capacity Building:** Strengthen project planning and execution within underperforming entities.
- **Monitoring and Accountability:** Introduce stringent oversight to ensure timely disbursement and utilization of operational funds.
- **Reallocation Strategies:** Consider reallocating underutilized resources to entities with a higher capacity to execute their mandates effectively.

Operational & Maintenance

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Office of The Governor	422,086,791	58,209,701	363,877,090	13.79
Office of the Deputy Governor	42,455,033	4,967,078	37,487,955	11.70
Ministry of Water and Irrigation	26,615,977	2,562,621	24,053,356	9.63
Education Training and Skills Development	81,913,093	9,210,450	72,702,643	11.24
Ministry Of Roads, Public Works and Transport	28,828,006	873,350	27,954,656	3.03
Health and Sanitation	457,927,545	176,520,447	281,407,097	38.55
Trade Industry MSMs Innovation & Cooperatives	57,622,221	9,859,963	47,762,256	17.11
Ministry Of Energy Environment Forestry & Natural Resources	46,277,062	4,479,195	41,797,866	9.68
Ministry Of Culture Gender Youth ICT Sports and Social Services	34,285,577	693,206	33,592,371	2.02
Ministry of Finance Economic Planning and Revenue Management	92,527,352	30,524,551	62,002,801	32.99
County Assembly	316,570,554	137,426,298	179,144,256	43.41
County Public Service Board	18,600,753	3,958,642	14,642,111	21.28
Kitui Municipality	13,279,907	2,094,330	11,185,577	15.77
Mwingi Town Administration	9,355,434	2,842,997	6,512,437	30.39
Ministry of Agriculture and Livestock	50,310,095	9,301,360	41,008,735	18.49
Ministry of Lands Housing and Urban Development	15,296,098	248,760	15,047,338	1.63
Grand Total	1,713,951,498	453,772,949	1,260,178,545	26.48

2.3.2 FY2024/25 Quarter One Personnel Emoluments Expenditure Analysis

The personnel emoluments for FY2024/25's first quarter demonstrate a significant variance in the utilization of funds across various departments, reflecting a range of absorption rates. The approved estimates for personnel emoluments totaled KES 2,845,100,696, with KES 1,567,327,120 having been expended by the end of the quarter, yielding an absorption rate of 55.09%.

Top Performers:

- The **Office of the Governor** achieved a remarkable absorption rate of 97.30%, spending KES 259,954,418 from its KES 267,177,496 allocation, leaving only a minor variance.
- The **Health and Sanitation Ministry** also exhibited strong performance, absorbing 80.33% of its personnel emoluments budget, utilizing KES 1,099,612,260 from its KES 1,368,821,169 allocation.
- The **Ministry of Agriculture and Livestock** absorbed 73.57%, expending KES 98,233,232 from its KES 133,524,534 budget.

Moderate Performers:

- **County Assembly** utilized 44.69% of its personnel budget, spending KES 95,952,301 from a total allocation of KES 214,723,444.
- **Kitui Municipality** absorbed 20.23%, expending KES 5,424,174 from its KES 26,818,378 allocation.
- **Mwingi Town Administration** absorbed 14.29%, spending KES 3,168,619 from KES 22,180,445.

Low Performers and Issues:

- Several entities, including the **Office of the Deputy Governor, Ministry of Water and Irrigation, Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services, and the Ministry of Lands, Housing, and Urban Development**, recorded no expenditure in the quarter. These ministries, with their allocated personnel budgets, should address the delays or issues causing underutilization.
- **Education Training and Skills Development** had a minimal absorption rate of 0.02%, spending only KES 90,000 out of its KES 396,320,792 allocation.
- The **Ministry of Finance, Economic Planning and Revenue Management** absorbed only 3.47%, spending KES 3,844,146 from its KES 110,652,471 allocation.

General Observations:

The variance of KES 1,277,773,572 indicates a significant underutilization of personnel emoluments funds, especially in certain ministries. The overall absorption rate of 55.09% shows that while some departments have made commendable progress, a substantial portion of the budget remains unspent or unallocated.

Personnel Emoluments

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Office of The Governor	267,177,496	259,954,418	7,223,077	97.30
Office of the Deputy Governor	33,997,620	-	33,997,620	-
Ministry of Water and Irrigation	46,095,650	-	46,095,650	-
Education Training and Skills Development	396,320,792	90,000	396,230,792	0.02
Ministry Of Roads, Public Works and Transport	78,317,156	-	78,317,156	-
Health and Sanitation	1,368,821,169	1,099,612,260	269,208,910	80.33
Trade Industry MSMS Innovation & Cooperatives	42,573,754	(135,500)	42,709,254	(0.32)

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Ministry Of Energy Environment Forestry & Natural Resources	25,993,607	129,246	25,864,361	0.50
Ministry Of Culture Gender Youth ICT Sports and Social Services	34,579,884	-	34,579,884	-
Ministry of Finance Economic Planning and Revenue Management	110,652,471	3,844,146	106,808,324	3.47
County Assembly	214,723,444	95,952,301	118,771,140	44.69
County Public Service Board	14,832,576	1,054,224	13,778,352	7.11
Kitui Municipality	26,818,378	5,424,174	21,394,204	20.23
Mwingi Town Administration	22,180,445	3,168,619	19,011,826	14.29
Ministry of Agriculture and Livestock	133,524,534	98,233,232	35,291,302	73.57
Ministry of Lands Housing and Urban Development	28,491,720	-	28,491,720	-
Grand Total	2,845,100,696	1,567,327,120	1,277,773,572	55.09

2.4 FY2024/25 Quarter One Development Expenditure Analysis

In FY2024/25, the development expenditure for the first quarter reflects both the ongoing efforts and challenges faced by various departments in utilizing allocated funds. With a total approved estimate of KES 2,073,320,860 for development activities, only KES 83,989,976 was expended, yielding a modest absorption rate of 4.05%. This indicates a significant underutilization of resources earmarked for development.

Key Observations:

- Underutilization of Funds:**
 Several key departments have failed to spend any funds in the first quarter, including the **Office of the Governor, Office of the Deputy Governor, Ministry of Water and Irrigation, Education Training and Skills Development, Ministry of Roads, Public Works and Transport, and Health and Sanitation**. These entities have unspent amounts exceeding hundreds of millions, highlighting delays or procedural bottlenecks in project initiation or execution.
- Ministry of Water and Irrigation:**
 The **Ministry of Water and Irrigation** has utilized KES 24,910,017 of its KES 284,890,418 allocation, translating to an absorption rate of 8.74%. While this is low, the department has at least initiated some expenditure, and further progress may be expected as the fiscal year unfolds.
- Trade Industry MSMs Innovation & Cooperatives:**
 This ministry has managed to absorb 15.78% of its development budget, spending KES 41,930,241 of its KES 265,674,816 allocation. While still below optimal levels, this reflects better execution compared to most other departments.
- Ministry of Energy, Environment, Forestry, and Natural Resources:**
 The **Ministry of Energy** shows a moderate expenditure rate of 16.70%, having spent KES 15,776,718 out of KES 94,477,374. This indicates some progress but still a considerable amount of funds left unspent.
- Ministry of Finance, Economic Planning, and Revenue Management:**
 This ministry expended KES 1,373,000 of its KES 31,562,500 development budget, achieving an absorption rate of only 4.35%. Although the expenditure is minimal, further analysis may reveal if this is due to delayed project approvals or pending procurement processes.
- Kitui Municipality and Mwingi Town Administration:**

Both entities have yet to utilize their development budgets. With KES 42,730,856 allocated to **Kitui Municipality** and KES 14,909,500 to **Mwingi Town Administration**, the non-expenditure suggests either project delays or inefficiencies in resource allocation.

General Insights:

The low absorption rate of 4.05% across the board indicates systemic challenges in the implementation of development projects. Possible factors include:

- Procurement Delays:** Many projects may be held up at the procurement stage, preventing funds from being spent as intended.
- Project Planning Bottlenecks:** Inadequate project planning, especially in high-priority areas like infrastructure, water, and health, could be contributing to delayed fund utilization.
- Cash Flow and Disbursement Issues:** Financial disbursement schedules may not align with project timelines, resulting in under-expenditure.

Recommendations:

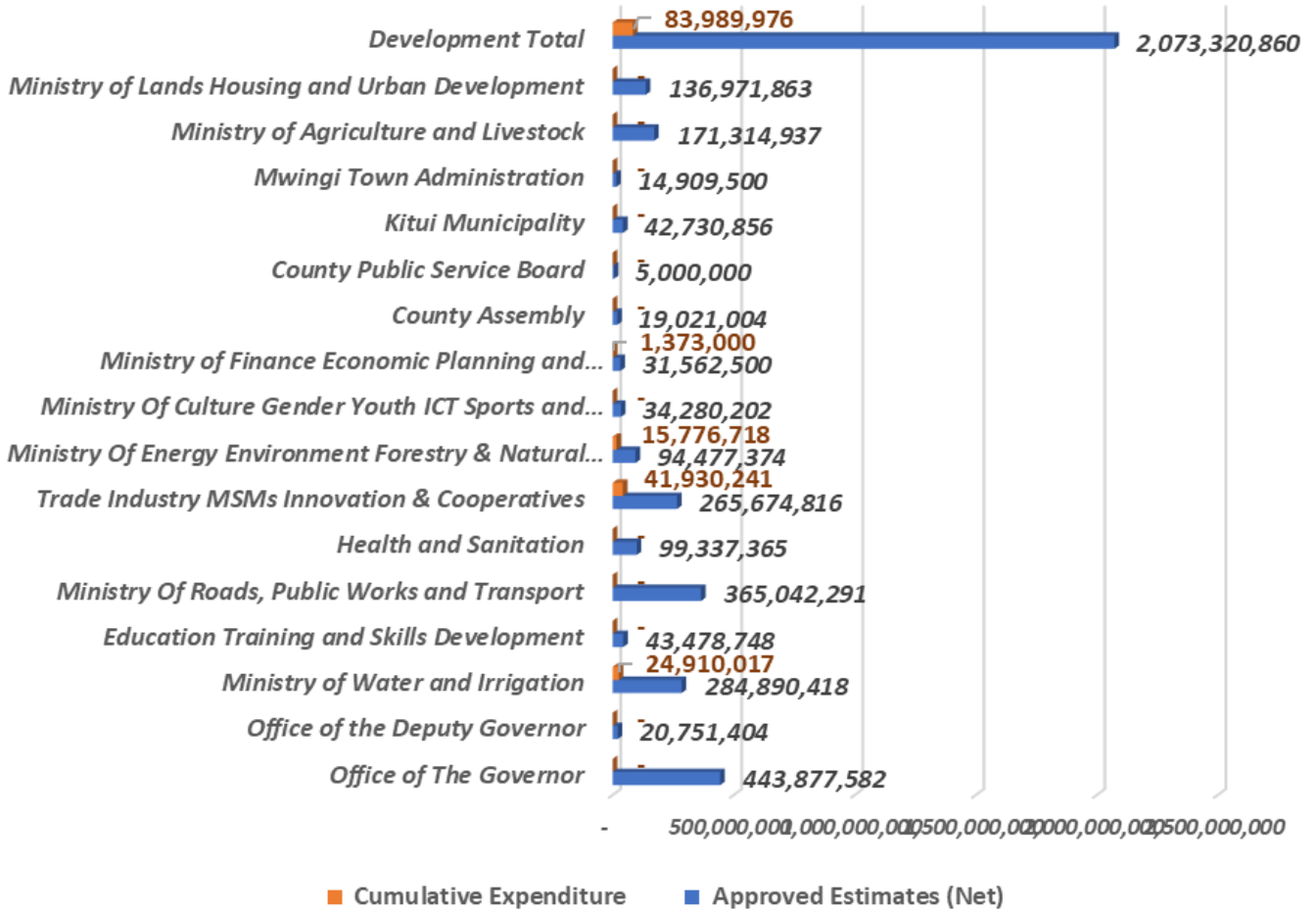
- Expedited Project Launches:** Ministries and departments with low expenditure should prioritize accelerating project approval and commencement processes to ensure that funds are utilized promptly.
- Improved Coordination and Monitoring:** Strengthening inter-departmental coordination and implementing robust monitoring frameworks could help identify and address delays early in the project cycle.
- Reallocation of Resources:** For the remaining fiscal year, unspent funds should be carefully monitored and potentially reallocated to more active departments, ensuring no resources remain idle.

In conclusion, the first quarter's performance suggests a need for enhanced focus on development project execution. Addressing the delays could unlock the full potential of the allocated development budget and ensure that funds are directed towards impactful projects for the benefit of the community.

Development Expenditure Analysis

Spending	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
Office of The Governor	443,877,582	-	443,877,582	-
Office of the Deputy Governor	20,751,404	-	20,751,404	-
Ministry of Water and Irrigation	284,890,418	24,910,017	259,980,401	8.74
Education Training and Skills Development	43,478,748	-	43,478,748	-
Ministry Of Roads, Public Works and Transport	365,042,291	-	365,042,291	-
Health and Sanitation	99,337,365	-	99,337,365	-
Trade Industry MSMS Innovation & Cooperatives	265,674,816	41,930,241	223,744,574	15.78
Ministry Of Energy Environment Forestry & Natural Resources	94,477,374	15,776,718	78,700,657	16.70
Ministry Of Culture Gender Youth ICT Sports and Social Services	34,280,202	-	34,280,202	-
Ministry of Finance Economic Planning and Revenue Management	31,562,500	1,373,000	30,189,500	4.35
County Assembly	19,021,004	-	19,021,004	-
County Public Service Board	5,000,000	-	5,000,000	-
Kitui Municipality	42,730,856	-	42,730,856	-
Mwingi Town Administration	14,909,500	-	14,909,500	-
Ministry of Agriculture and Livestock	171,314,937	-	171,314,937	-
Ministry of Lands Housing and Urban Development	136,971,863	-	136,971,863	-
Development Total	2,073,320,860	83,989,976	1,989,330,884	4.05

O1 Development Expenditure Analysis



3.0 FY2024/25 QUARTER ONE REVENUE PERFORMANCE

3.1 Exchequer Releases

The actual exchequer releases from the National Government in Q1 amounted to **Ksh. 1.786 billion** against the available budget amount for Q1 of **Ksh. 6.63 billion** with no grants received in the period under scrutiny.

DATE	REF	AMOUNT
24-Sep-24	FT2426S	920,506,390
28-Jul-24	FT24208K	866,358,975
Grand Total		1,786,865,365

3.2 FY2024/25 Quarter One Own Source Revenue Performance

In examining the fiscal landscape for the first quarter of FY2024/25, it is clear that while we have seen positive momentum in several sectors, significant challenges remain. The overall revenue performance stands at 74.77% of the quarterly target, a reflection of the collective effort by our ministries to generate income for the county. Yet, this figure should not cloud our recognition of areas where we must improve, particularly in institutions such as the Ministry of Energy, which realized only a meager 4.62% of its target. In stark contrast, the Ministry of Agriculture has exceeded expectations, with an impressive 187.26% of its target realized, signaling the untapped potential within our agricultural and rural development sectors.

However, we cannot ignore the substantial gaps that remain. Despite the commendable performance of the Ministry of Health and Sanitation, which achieved nearly 89% of its target, other key departments like the Ministry of Finance and the Ministry of Roads fell short, with variances that warrant scrutiny. It is imperative that we address these shortfalls with a unified approach—enhancing revenue collection mechanisms, streamlining administrative efficiency, and fostering economic diversification.

This moment offers us a unique opportunity. It calls on us to invest not only in financial systems but in the growth of sectors that hold the key to long-term sustainability.

FY2024/25 QUARTER ONE REVENUE PERFORMANCE

Spending Entity	Annual Target	Quarterly Target	Quarterly Collection	Q1 Variance	Q1 % Realization
Ministry of Agriculture and livestock	14,000,000	3,500,000	6,554,165	3,054,165	187.26
Ministry of Water and Irrigation	1,500,000	375,000	505,000	130,000	134.67
Ministry of Energy Environment, Forestry ,Natural and Mineral Resources	4,000,000	1,000,000	46,200	(953,800)	4.62
Ministry of Health and Sanitation	350,200,000	87,550,000	77,780,033	(9,769,967)	88.84
Ministry of Culture, Gender ,Youth, ICT, Sports & Social Services	200,000	50,000	79,620	29,620	159.24
Ministry of Lands, Housing and Urban Development	27,000,000	6,750,000	4,186,941	(2,563,059)	62.03
Ministry of Roads, Public Works and Transport	3,500,000	875,000	595,938	(279,062)	68.11
Office of the Governor	23,000,000	5,750,000	4,424,500	(1,325,500)	76.95
Ministry of Education, Training and Skills Development	50,000	12,500	-	(12,500)	-
Ministry of Trade, Industry , MSMEs, Innovation & Cooperatives	1,500,000	375,000	55,636	(319,364)	14.84
Ministry of Finance, Economic Planning & Revenue Management	93,000,000	23,250,000	8,862,613	(14,387,387)	38.12

Spending Entity	Annual Target	Quarterly Target	Quarterly Collection	Q1 Variance	Q1 % Realization
Mwingi Town Administration	29,000,000	7,250,000	3,214,300	(4,035,700)	44.34
Kitui Municipality	53,000,000	13,250,000	5,852,381	(7,397,619)	44.17
Office of the Deputy Governor	50,000	12,500	-	(12,500)	-
REVENUE TOTAL	600,000,000	150,000,000	112,157,327	(37,842,673)	74.77

3.3 Challenges and Remedies in Revenue Collection for Kitui County - FY 2024/25 Quarter One

3.3.1 Challenges

a) **Challenges in Revenue from Urban Development and Property Tax:**

The **Kitui Municipality** faced significant challenges in property tax collection due to the lack of an updated land and property valuation roll. This challenge hindered accurate property tax assessments, and many residents in urban areas, especially in **Kitui Town**, failed to pay their taxes. Efforts to collect land rates and urban planning fees faced delays due to bureaucratic inefficiencies, affecting overall performance in urban revenue generation.

b) **Data Management and Record-Keeping Challenges:**

The county also faced issues related to poor data management and record-keeping. Inaccurate or incomplete data on the local population, business licenses, and property tax assessments resulted in gaps in the tax base. This was particularly problematic for the **Ministry of Agriculture & Livestock**, where the lack of a centralized database for agricultural tax records made it difficult to track and collect from the agricultural sector, which was a significant revenue stream. Inadequate data integration between departments further contributed to inconsistencies in revenue reports and poor allocation of resources.

c) **Inadequate Public Awareness and Engagement:**

A key barrier to revenue collection was the insufficient public awareness of the county's taxation policies and the benefits of compliance. For instance, the **Ministry of Education, Training, and Skills Development**, which had a target of KSh 50,000, did not collect any revenue, reflecting a communication gap with the public. The failure to engage effectively with the public about their tax obligations and the consequences of non-compliance led to underperformance in departments that rely on local contributions. Similarly, the **Office of the Governor** fell short of its collection target due to lack of coordinated public outreach on tax reforms.

d) **Economic Downturn and Reduced Business Activity:**

The broader economic challenges, including reduced business activity and inflationary pressures, severely impacted revenue generation. Many businesses in Kitui County, especially small and medium-sized enterprises (SMEs), faced financial difficulties due to higher operational costs. This resulted in lower business turnover and, consequently, reduced local tax receipts. The **Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives**, which relies on business licensing and market-based fees, saw its collections fall short due to a decline in business registrations and lower consumption patterns. This issue was compounded by inflation, which eroded disposable income and hindered consumer spending.

e) **Weak Enforcement of Tax Compliance:**

A significant shortfall in revenue realization stemmed from the county's inability to effectively enforce tax compliance. Despite setting clear targets for departments such as **Ministry of Health and Sanitation** and **Kitui Municipality**, the lack of robust enforcement mechanisms meant that many businesses and property owners were not fully meeting their obligations. For example, **Kitui Municipality**, with a target of KSh 53 million for the quarter, only collected KSh 5.85 million, showing a considerable gap due to non-compliance by property owners who were either unaware or unwilling to pay local taxes and fees.

f) **Inefficiencies in Revenue Collection Systems:**

The county faced significant inefficiencies in its revenue collection systems, which were exacerbated by outdated technology and lack of automation. Departments such as the **Ministry of Lands, Housing, and Urban Development** and the **Ministry of Energy, Environment, Forestry, Natural, and Mineral Resources** struggled to reconcile the volume of transactions due to reliance on manual processes. This inefficiency resulted in delays in processing payments and collections, affecting quarterly revenue targets. For instance, the **Ministry of Roads, Public Works, and Transport** recorded lower-than-expected collections, partly due to slow updating of fee records for permits and licenses.

3.3.2 Remedies and Recommendations

- a) **Public Awareness Campaign and Stakeholder Engagement**
Launch campaigns to educate businesses and the public about the importance of taxes and the benefits of compliance, reducing resistance.
- b) **Implementing Revenue Automation**
Adopt digital payment solutions and automated systems to streamline tax collection, enhance transparency, and reduce errors.
- c) **Capacity Building and Training of Revenue Collectors and Enforcement Officers**
Provide regular training to improve the skills of revenue collectors and enforcement officers in engaging taxpayers and utilizing digital tools.
- d) **Establishing a Comprehensive Business Database**
Create a detailed business database for more accurate tax assessments and to identify tax evasion or unregistered businesses.
- e) **Updating the Property Valuation Roll**
Update property valuations regularly to ensure accurate property tax assessments, ensuring fairness and transparency.
- f) **Strengthening Taxpayer Incentives and Enforcement Mechanisms**
Offer incentives for early payments and enforce penalties for late payments, encouraging timely tax compliance.
- g) **Promoting Interdepartmental Collaboration**
Enhance coordination across county departments for efficient data sharing, reducing duplication, and ensuring accurate tax assessments.
- h) **Leveraging Technology for Revenue Reporting and Monitoring**
Utilize data analytics and financial software for real-time monitoring, performance tracking, and to address revenue shortfalls effectively.

4.0 PENDING BILLS STATUS BY THE END OF Q1

As of the end of Quarter One (Q1) of FY 2024/25, Kitui County Government's pending bills exhibit a significant financial burden, with a notable amount of bills having already been settled, while others remain unpaid.

The total amount paid towards outstanding bills across various categories stands at **Ksh 1,286,609,205**. This includes **Ksh 228,626,632** for Lot 1, **Ksh 171,449,483** for Lot 2, and **Ksh 328,609,531** for Lot 3. Additionally, the county has cleared a substantial **Ksh 421,967,389** towards court decrees and awards, as well as **Ksh 135,956,170** for pending bills that were subject to valuation.

However, there remains a substantial sum of **Ksh 168,908,881** in unpaid bills. Of this, **Ksh 78,799,335** pertains to Lot 1, **Ksh 62,358,525** to Lot 2, and **Ksh 27,751,021** to Lot 3. These pending amounts reflect the ongoing fiscal challenges that the county faces in settling all its financial obligations within the specified periods.

The presence of such unpaid bills indicates a persistent cash flow challenge, requiring strategic financial management and effective planning to clear the outstanding amounts. The timely settlement of these bills will be crucial to maintaining the county's credibility and ensuring uninterrupted service delivery to its citizens.

PENDING BILLS STATUS BY THE END OF Q1

STATUS/TYPE	CATEGORY	AMOUNT
PAID	LOT 1	228,626,632
	LOT 2	171,449,483
	LOT 3	328,609,531
COURT DEGREES AND AWARDS PAID		421,967,389
PENDING BILLS SUBJECT TO VALUATION PAID		135,956,170
TOTAL PAID		1,286,609,205
UNPAID	LOT 1	78,799,335
	LOT 2	62,358,525
	LOT 3	27,751,021
TOTAL UNPDAID		168,908,881

5.0 EMERGING ISSUES, CHALLENGES, AND RECOMMENDATIONS FOR FY2024/25 QUARTER ONE

5.1 Emerging Issues

Several issues have emerged during FY2024/25 Quarter One, which reflect both the progress and challenges facing Kitui County in its financial and operational activities:

- Revenue Collection Shortfall:** The county has experienced a substantial shortfall in its revenue collections. The total revenue collected during Quarter One (Ksh 112.16 million) fell significantly short of the projected target of Ksh 150 million, reaching only 74.77% of the expected amount. This gap indicates a need to address factors affecting revenue generation.
- Pending Bills:** The county has significant pending bills, with Ksh 168.91 million in unpaid bills by the end of Quarter One. While Ksh 1.29 billion has been paid, the outstanding amounts across various categories highlight inefficiencies in settling financial obligations, affecting the county's liquidity and service delivery.
- Lack of Automation in Revenue Collection:** There is an ongoing challenge in the lack of automated systems for revenue collection. This issue results in delays, inefficiencies, and the potential for errors in revenue collection and reporting.
- Budgetary Constraints:** While there has been an overall increase in the budget from Ksh 10.83 billion in FY 2018/2019 to Ksh 12.96 billion in FY 2024/25, actual expenditure has not fully aligned with planned revenue targets. This disparity highlights the need for better synchronization between budget allocation and revenue realization.

5.2 Challenges

- Public Awareness and Resistance:** The county continues to face resistance from business people and a lack of awareness among the general public regarding the importance of tax payments and compliance. This resistance has slowed revenue realization and led to delays in achieving revenue targets.
- Inadequate Revenue Automation Systems:** The absence of automated systems for revenue collection has made it difficult to track, manage, and reconcile the various sources of county revenue. This challenge contributes to the shortfall in collections and delays in processing payments.
- Training Gaps in Revenue Collection and Enforcement:** Revenue collectors and enforcement officers lack adequate training and capacity to manage collections effectively. This has led to inefficiencies and a failure to ensure compliance from taxpayers.
- Pending Bills and Liquidity Constraints:** The unpaid bills, which amount to Ksh 168.91 million, represent a significant liquidity strain on the county government. These outstanding obligations hinder service delivery and delay essential projects and programs that would benefit the public.

5.3 Recommendations

- Public Awareness Campaigns:** There is a need to enhance public engagement and awareness campaigns on the importance of paying taxes and contributing to local revenue. Strategies such as town hall meetings, media campaigns, and partnership with local businesses can help build trust and improve compliance.
- Implementation of Revenue Automation:** To streamline revenue collection, the county government

should prioritize the implementation of automated revenue collection systems. These systems will reduce human error, improve efficiency, and provide better data for decision-making.

3. **Capacity Building for Revenue Collectors and Enforcers:** Invest in training programs for revenue collectors and enforcement officers to equip them with the skills necessary to efficiently perform their roles. This will ensure better monitoring, collection, and enforcement of tax compliance.
4. **Timely Payment of Pending Bills:** The county must prioritize the settlement of pending bills to avoid accumulating arrears that may worsen liquidity challenges. Creating a clear payment schedule and ensuring timely payments will improve relationships with suppliers and contractors, and ensure the smooth execution of projects.
5. **Enhanced Budget Monitoring and Alignment:** Improve budget monitoring to ensure that the budgetary allocations align with actual revenue collection. Implementing a more stringent monitoring system will ensure better fiscal discipline and the achievement of the county's development goals without overspending.

By addressing these emerging issues and challenges, Kitui County can improve its financial position, enhance service delivery, and set a solid foundation for sustainable growth and development in FY2024/25.

6.0 EXPENDITURE BREAKDOWN BY INDIVIDUAL SPENDING ENTITY

This chapter provides a comprehensive analysis of the expenditure performance of individual spending entities within the county government framework. It dissects the allocation and utilization of funds across various departments and ministries, offering insights into the efficiency and effectiveness of resource management. The analysis is structured into two primary dimensions: **expenditure by economic classification** and **expenditure by departmental classification**.

1. **Expenditure by Economic Classification:** This section examines how the county's budget is allocated and spent across different economic categories, such as Personnel Emoluments (PE), Operations and Maintenance (O&M), and Development Expenditure. By delving into these economic classifications, the chapter highlights whether resources are being utilized in alignment with the priorities set forth in the budget. The focus is on understanding the balance between recurring operational costs and long-term investments in development projects.
2. **Expenditure by Departmental Classification:** This analysis focuses on the spending patterns within each ministry, department, and entity under the county government. By breaking down the expenditure at the departmental level, the chapter evaluates the effectiveness of each entity in utilizing its allocated budget, identifying departments that are either over-spending or under-utilizing their funds. This section also considers whether departments have adhered to their budgetary limits and highlights any discrepancies between planned and actual expenditure.

6.1 Office of the Governor

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	267,177,496	259,954,418	7,223,077	97.30
2200000 Use of goods and services	381,893,680	55,557,051	326,336,629	14.55
3100000 Acquisition of Non-Financial Assets	40,193,111	2,652,650	37,540,461	6.60
Sub-Total	689,264,287	318,164,119	371,100,167	46.16
CAPITAL EXPENDITURE				
Non-Financial Asset	443,877,582	-	443,877,582	-
Grand Total	1,133,141,869	318,164,119	814,977,749	28.08

6.1.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Decentralized Units Service Delivery Coordination	82,318,334	15,739,656	66,578,678	19.12
General Administration and Planning	941,236,345	266,432,405	674,803,939	28.31
Governor's Service Delivery Unit & Public Communication	33,171,490	12,781,812	20,389,678	38.53
Human Resources	14,920,000	1,195,900	13,724,100	8.02
Office of Chief of Staff	20,526,500	180,000	20,346,500	0.88
Office of County Attorney	16,503,000	14,648,712	1,854,288	88.76
Office of the County secretary	17,231,200	6,150,300	11,080,900	35.69
Procurement	2,800,000	449,334	2,350,666	16.05
Special Programme	4,435,000	586,000	3,849,000	13.21
Grand Total	1,133,141,869	318,164,119	814,977,749	28.08

6.2 Office of the Deputy Governor

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	33,997,620	-	33,997,620	-
2200000 Use of goods and services	40,770,285	4,967,078	35,803,207	12.18
3100000 Acquisition of Non-Financial Assets	1,684,748	-	1,684,748	-
Sub-Total	76,452,653	4,967,078	71,485,575	6.50
CAPITAL EXPENDITURE				
Non-Financial Asset	20,751,404	-	20,751,404	-
Grand Total	97,204,057	4,967,078	92,236,979	5.11

6.2.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Administration Planning & Support Services	12,720,069	1,617,058	11,103,011	12.71
Performance Mgt & Disaster Mitigation	38,383,045	2,745,220	35,637,825	7.15
Tourism Devt & Promotion	46,100,943	604,800	45,496,143	1.31
Grand Total	97,204,057	4,967,078	92,236,979	5.11

6.3 Ministry of Water and Irrigation

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	46,095,650	-	46,095,650	-
2200000 Use of goods and services	21,993,923	1,734,221	20,259,702	7.89
3100000 Acquisition of Non-Financial Assets	4,622,054	828,400	3,793,654	17.92
Sub-Total	72,711,627	2,562,621	70,149,006	3.52
CAPITAL EXPENDITURE				
Non-Financial Asset	259,890,418	-	259,890,418	-
Transfers to other Government Entities (Subsidy to KITWASCO & KIMWASCO)	25,000,000	24,910,017	89,983	99.64
Sub-Total	284,890,418	24,910,017	259,980,401	8.74
Grand Total	357,602,045	27,472,638	330,129,407	7.68

6.3.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
General Administration & Planning	48,671,154	192,400	48,478,754	0.40
Irrigation	93,846,213	1,053,000	92,793,213	1.12
Water	215,084,678	26,227,238	188,857,440	12.19
Grand Total	357,602,045	27,472,638	330,129,407	7.68

6.4 Education Training and Skills Development

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				

2100000 Compensation to Employees	396,320,792	90,000	396,230,792	0.02
2200000 Use of goods and services	32,528,229	7,833,050	24,695,179	24.08
2600000 Current grants and other Transfers- (From Equitable Share)	45,000,000	-	45,000,000	-
3100000 Acquisition of Non-Financial Assets	4,384,864	1,377,400	3,007,464	31.41
Sub-Total	478,233,885	9,300,450	468,933,435	1.94
CAPITAL EXPENDITURE				
Capital Transfers Govt. Agencies	15,000,000	-	15,000,000	-
Non-Financial Asset	28,478,748	-	28,478,748	-
Sub-Total	43,478,748	-	43,478,748	-
Grand Total	521,712,633	9,300,450	512,412,183	1.78

5.4.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Basic Education, ECDE & Childcare Facilities	79,016,351	4,317,400	74,698,951	5.46
General Administration & Planning	399,993,884	1,065,800	398,928,084	0.27
Polytechnics Vocational Centers & Home Craft Centers	42,702,398	3,917,250	38,785,148	9.17
Grand Total	521,712,633	9,300,450	512,412,183	1.78

6.5 Ministry Of Roads, Public Works and Transport

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	78,317,156	-	78,317,156	-
2200000 Use of goods and services	26,128,006	873,350	25,254,656	3.34
3100000 Acquisition of Non-Financial Assets	2,700,000	-	2,700,000	-
Sub-Total	107,145,162	873,350	106,271,812	0.82
CAPITAL EXPENDITURE				
Non-Financial Asset	365,042,291	-	365,042,291	-
Grand Total	472,187,453	873,350	471,314,103	0.18

6.5.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
General Administration & Planning	81,457,656	338,998	81,118,658	0.42
Public Works	90,019,087	790,400	89,228,687	0.88
Roads, Transport & Mechanical Services	300,710,710	(256,048)	300,966,758	-0.09
Grand Total	472,187,453	873,350	471,314,103	0.18

6.6 Health and Sanitation

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	1,368,821,169	1,099,612,260	269,208,910	80.33
2200000 Use of goods and services	225,445,799	35,684,350	189,761,448	15.83

2600000 Current grants and other Transfers- (From Equitable Share)	228,853,346	140,836,097	88,017,249	61.54
3100000 Acquisition of Non-Financial Assets	3,628,400	-	3,628,400	-
Sub-Total	1,826,748,714	1,276,132,707	550,616,007	69.86
CAPITAL EXPENDITURE				
Capital Transfers Govt. Agencies	6,800,625	-	6,800,625	-
Non-Financial Asset	92,536,740	-	92,536,740	-
Sub-Total	99,337,365	-	99,337,365	-
Grand Total	1,926,086,079	1,276,132,707	649,953,372	66.26

6.6.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Curative and Rehabilitative Services	593,616,491	313,340,919	280,275,571	52.79
Medical Services	778,655,657	613,770,291	164,885,367	78.82
Public Health	553,813,931	349,021,497	204,792,434	63.02
Grand Total	1,926,086,079	1,276,132,707	649,953,372	66.26

6.7 Trade Industry MSMS Innovation & Cooperatives

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	42,573,754	(135,500)	42,709,254	(0.32)
2200000 Use of goods and services	42,738,480	9,135,163	33,603,315	21.37
3100000 Acquisition of Non-Financial Assets	14,883,741	724,800	14,158,941	4.87
Sub-Total	100,195,975	9,724,463	90,471,510	9.71
CAPITAL EXPENDITURE				
Non-Financial Asset	265,674,816	41,930,241	223,744,574	15.78
Grand Total	365,870,791	51,654,704	314,216,084	14.12

6.7.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Cooperatives	23,673,484	2,872,620	20,800,863	12.13
General Administration & Planning	59,320,030	628,993	58,691,037	1.06
Trade & Markets	282,877,277	48,153,091	234,724,184	17.02
Grand Total	365,870,791	51,654,704	314,216,084	14.12

6.8 Ministry of Energy Environment Forestry & Natural Resources

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	25,993,607	129,246	25,864,361	0.50
2200000 Use of goods and services	22,056,382	4,466,195	17,590,186	20.25
3100000 Acquisition of Non-Financial Assets	24,220,680	13,000	24,207,680	0.05
Sub-Total	72,270,669	4,608,441	67,662,227	6.38
CAPITAL EXPENDITURE				
Capital Transfers Govt. Agencies	28,875,490	15,776,718	13,098,773	54.64
Non-Financial Asset	65,601,884	-	65,601,884	-
Sub-Total	94,477,374	15,776,718	78,700,657	16.70

<i>Grand Total</i>	<i>166,748,043</i>	<i>20,385,159</i>	<i>146,362,884</i>	<i>12.23</i>
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6.8.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Energy, Minerals & Natural Resources	91,155,675	2,553,995	88,601,679	2.80
Environment & Forestry	55,800,188	16,756,464	39,043,725	30.03
General Administration & Planning	19,792,180	1,074,700	18,717,480	5.43
<i>Grand Total</i>	<i>166,748,043</i>	<i>20,385,159</i>	<i>146,362,884</i>	<i>12.23</i>

6.9 Ministry of Culture Gender Youth ICT Sports and Social Services

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	34,579,884	-	34,579,884	-
2200000 Use of goods and services	30,055,087	643,206	29,411,881	2.14
2600000 Current grants and other Transfers-(From Equitable Share)	864,490	-	864,490	-
3100000 Acquisition of Non-Financial Assets	3,366,000	50,000	3,316,000	1.49
Sub-Total	68,865,461	693,206	68,172,255	1.01
CAPITAL EXPENDITURE				
Non-Financial Asset	34,280,202	-	34,280,202	-
<i>Grand Total</i>	<i>103,145,663</i>	<i>693,206</i>	<i>102,452,457</i>	<i>0.67</i>

6.9.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Culture Gender & Social Services	20,727,098	467,200	20,259,898	2.25
General Administration & Planning	37,067,292	96,006	36,971,286	0.26
Sports	35,701,000	100,000	35,601,000	0.28
Youth Sports ICT & Innovation	9,650,273	30,000	9,620,273	0.31
<i>Grand Total</i>	<i>103,145,663</i>	<i>693,206</i>	<i>102,452,457</i>	<i>0.67</i>

6.10 Ministry of Finance Economic Planning and Revenue Management

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	110,652,471	3,844,146	106,808,324	3.47
2200000 Use of goods and services	69,581,238	30,072,171	39,509,067	43.22
3100000 Acquisition of Non-Financial Assets	2,946,114	452,380	2,493,734	15.36
4100000 Acquisition of Financial Assets	20,000,000	-	20,000,000	-
Sub-Total	203,179,823	34,368,697	168,811,125	16.92
CAPITAL EXPENDITURE				
Non-Financial Asset	10,000,000	-	10,000,000	-
Other development	21,562,500	1,373,000	20,189,500	6.37
Sub-Total	31,562,500	1,373,000	30,189,500	4.35
<i>Grand Total</i>	<i>234,742,323</i>	<i>35,741,697</i>	<i>199,000,625</i>	<i>15.23</i>

6.10.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Accounts	6,992,677	3,841,756	3,150,921	54.94
Budgetary Supplies	23,701,952	12,023,546	11,678,406	50.73
Economic Planning	29,052,767	8,243,426	20,809,341	28.37
General Administration & Planning	168,111,263	8,066,679	160,044,583	4.80
Internal Audit	3,479,200	2,157,590	1,321,610	62.01
Procurement	3,404,464	1,408,700	1,995,764	41.38
Grand Total	234,742,323	35,741,697	199,000,625	15.23

6.11 County Public Service Board

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	14,832,576	1,054,224	13,778,352	7.11
2200000 Use of goods and services	18,000,753	3,958,642	14,042,111	21.99
3100000 Acquisition of Non-Financial Assets	600,000	-	600,000	-
Sub-Total	33,433,329	5,012,866	28,420,463	14.99
CAPITAL EXPENDITURE				
Non-Financial Asset	5,000,000	-	5,000,000	-
Grand Total	38,433,329	5,012,866	33,420,463	13.04

6.12.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
General Administration and Planning	26,711,576	3,018,221	23,693,355	11.30
Human Resources	11,721,753	1,994,645	9,727,108	17.02
Grand Total	38,433,329	5,012,866	33,420,463	13.04

6.12 County Assembly

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
2100000 Compensation to Employees	214,723,444	95,952,301	118,771,140	44.69
2200000 Use of goods and services	280,986,266	126,032,602	154,953,664	44.85
2700000 Social Benefits	25,700,093	11,393,696	14,306,397	44.33
3100000 Acquisition of Non-Financial Assets	9,884,195	-	9,884,195	-
Sub-Total	531,293,998	233,378,599	297,915,396	43.93
CAPITAL EXPENDITURE				
Non-Financial Asset	19,021,004	-	19,021,004	-
Grand Total	550,315,002	233,378,599	316,936,400	42.41

6.12.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
General Administration and Planning	191,775,148	74,520,012	117,255,134	38.86
Legislative Department	358,539,854	158,858,587	199,681,266	44.31
Grand Total	550,315,002	233,378,599	316,936,400	42.41

6.13 Kitui Municipality

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	26,818,378	5,424,174	21,394,204	20.23
2200000 Use of goods and services	12,554,907	2,065,945	10,488,962	16.46
3100000 Acquisition of Non-Financial Assets	725,000	28,385	696,615	3.92
Sub-Total	40,098,285	7,518,504	32,579,781	18.75
CAPITAL EXPENDITURE				
Non-Financial Asset	42,130,856	-	42,130,856	-
Other development	600,000	-	600,000	-
Sub-Total	42,730,856	-	42,730,856	-
Grand Total	82,829,141	7,518,504	75,310,637	9.08

6.13.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Environment, Culture, Recreation and Community Development	10,959,856	3,813,501	7,146,355	34.80
Finance	5,048,000	426,085	4,621,915	8.44
General Administration and Planning	39,527,285	2,280,923	37,246,362	5.77
Planning, Development Control, Transport and Infrastructure	23,969,500	473,895	23,495,605	1.98
Trade, Commerce and Industrialisation	3,324,500	524,100	2,800,400	15.76
Grand Total	82,829,141	7,518,504	75,310,637	9.08

6.14 Mwingi Town Administration

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	22,180,445	3,168,619	19,011,826	14.29
2200000 Use of goods and services	9,105,434	2,842,997	6,262,437	31.22
3100000 Acquisition of Non-Financial Assets	250,000	-	250,000	-
Sub-Total	31,535,879	6,011,616	25,524,263	19.06
CAPITAL EXPENDITURE				
Non-Financial Asset	14,909,500	-	14,909,500	-
Grand Total	46,445,379	6,011,616	40,433,763	12.94

6.14.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Environment, Culture, Recreation and Community Development	4,660,600	8,550	4,652,050	0.18
General Administration and Planning	31,633,008	5,908,016	25,724,992	18.68
Planning, Development Control, Transport and Infrastructure	10,151,771	95,050	10,056,721	0.94
Grand Total	46,445,379	6,011,616	40,433,763	12.94

6.15 Ministry of Agriculture and Livestock

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	133,524,534	98,233,232	35,291,302	73.57
2200000 Use of goods and services	40,436,936	3,587,510	36,849,426	8.87
2600000 Current grants and other Transfers- (From Equitable Share)	2,283,900	2,000,000	283,900	87.57
Sub-Total	176,245,370	103,820,742	72,424,628	58.91
CAPITAL EXPENDITURE				
3100000 Acquisition of Non-Financial Assets	7,589,259	3,713,850	3,875,409	48.94
Capital Transfers Govt. Agencies	142,020,076	-	142,020,076	-
Non-Financial Asset	14,019,882	-	14,019,882	-
Other development	15,274,979	-	15,274,979	-
Sub-Total	178,904,196	3,713,850	175,190,346	2.08
Grand Total	355,149,566	107,534,592	247,614,974	30.28

6.15.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
Agriculture	197,232,924	5,447,173	191,785,751	2.76
Aquaculture Devt	1,405,340	7,000	1,398,340	0.50
General Administration	108,062,319	84,534,556	23,527,763	78.23
Livestock Devt	48,448,983	17,545,863	30,903,120	36.22
Grand Total	355,149,566	107,534,592	247,614,974	30.28

5.16 Ministry of Lands Housing and Urban Development

Economic Item	Approved Estimates (Net)	Cumulative Expenditure	Variance	Absp (%)
CURRENT EXPENDITURE				
2100000 Compensation to Employees	28,491,720	-	28,491,720	-
2200000 Use of goods and services	15,296,098	248,760	15,047,338	1.63
Sub-Total	43,787,818	248,760	43,539,058	0.57
CAPITAL EXPENDITURE				
Non-Financial Asset	136,971,863	-	136,971,863	-
Grand Total	180,759,681	248,760	180,510,921	0.14

6.16.1 Departmental Analysis

DEPARTMENT	Approved Estimates (Net)	Cumulative Expenditure	Variance	Abs (%)
General Administration	32,349,420	151,160	32,198,260	0.47
Land information & Management	4,985,199	306,200	4,678,999	6.14
Land Survey	10,947,242	-	10,947,242	0.00
Lands & Housing	1,031,200	(208,600)	1,239,800	-20.23
Urban Development	131,446,620	-	131,446,620	0.00
Grand Total	180,759,681	248,760	180,510,921	0.14