

# COUNTY GOVERNMENT OF KITUI



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

**FY 2023/24**

**ANNUAL BUDGET IMPLEMENTATION REPORT**

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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 fiscal year 2023/24 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 presents a comprehensive overview of the financial performance of various ministries and spending entities within the Kitui County Government, detailing expenditures across personal emoluments, operations and maintenance, development projects, revenue generation, and transfers from the National Government. The analysis spans the fiscal year, providing insights into budgetary absorption rates and revenue realization across multiple streams.

### Expenditure Overview:

- 1. Personal Emoluments:** The approved budget for personal emoluments was **KSh 5,485,525,772**, with cumulative expenditures reaching **KSh 5,449,461,317**, resulting in a minimal variance of **KSh 36,064,455** and an absorption rate of **99.34%**. This demonstrates efficient management of personnel-related costs across various ministries.
- 2. Operations and Maintenance:** The approved estimates for operational and maintenance expenditures amounted to **KSh 3,396,133,194**. The cumulative expenditure was **KSh 3,098,483,834**, resulting in a variance of **KSh 297,649,359** and an absorption rate of **91.24%**. Notably, while certain departments, such as the **Health and Sanitation**, exhibited high absorption rates (99.37%), others, like the **County Assembly**, reflected lower absorption at **76.84%**.
- 3. Development Expenditure:** With an approved budget of **KSh 5,375,576,914**, the cumulative expenditure reached **KSh 3,636,781,395**, resulting in a variance of **KSh 1,738,795,517** and an absorption rate of **67.65%**. This indicates substantial underutilization in development funding, warranting scrutiny to enhance project implementation efficiency.

### Revenue Generation Analysis:

The total targeted revenue for the year was **KSh 585,000,000.01**, with actual revenue generated amounting to **KSh 517,049,815.95**, representing a variance of **KSh 67,950,184.06** and an annual realization rate of **88.38%**. Key highlights include:

- Agricultural Revenue:** The sale of agricultural goods generated **KSh 1,015,530**, surpassing the target of **KSh 671,222** (151.30% realization).
- Training/Learning Centre Fees:** This stream realized **135.46%** of its target, indicating successful engagement in educational initiatives.
- Health Sector Revenue:** However, the Ministry of Health fell short with a realization of **77.69%** against its target, emphasizing the need for strategic enhancements in service delivery.

### Transfers from the National Government:

During the fiscal year 2023/24, the Kitui County Government received substantial transfers from the National Government totaling **KSh 10,829,486,936** through a series of exchequer issues made throughout the year. The transfers reflect consistent funding support for county operations, enhancing financial stability and operational capacity.

### Breakdown of Grants:

The county also benefited from various grants, amounting to a total of **KSh 571,254,178.10**. These grants, aimed at diverse projects such as climate change initiatives and health responses,

signify additional support for development efforts, particularly in response to locust invasions and climate challenges.

**Conclusion:**

The analysis reveals a mixed fiscal performance across the Kitui County Government. While several areas of expenditure show high absorption rates, there remain significant variances in development spending and underperformance in revenue generation in specific sectors. To strengthen fiscal health and enhance service delivery, strategic interventions are essential to address inefficiencies and improve revenue collection mechanisms. This report underscores the importance of continuous monitoring and evaluation of both expenditure and revenue streams to ensure the financial sustainability and effectiveness of the county's initiatives.



## **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.

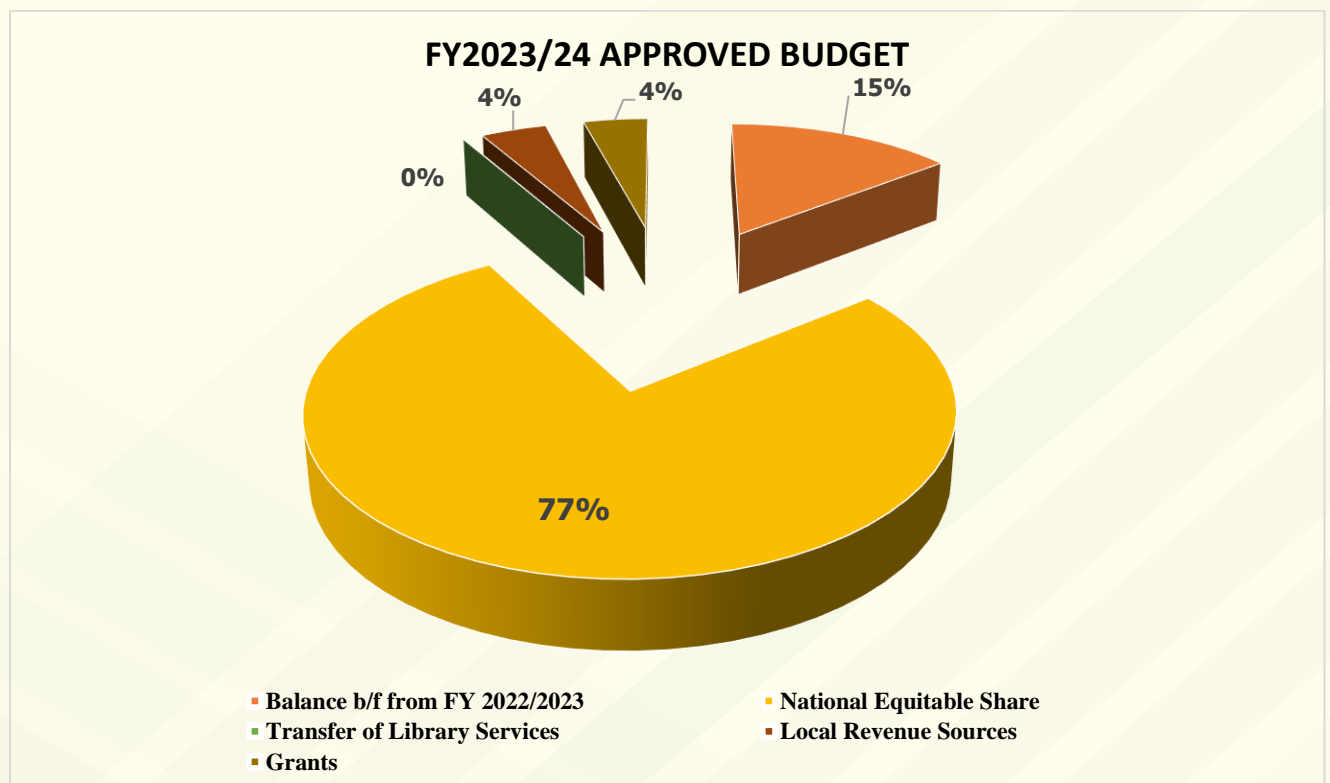
## BUDGET HIGHLIGHTS

Kitui County's budget for the fiscal year was funded by various sources totalling 14,004,288,437 Kshs. The National Equitable Share formed the majority, contributing 10,829,486,936 Kshs, which accounted for 77.33% of the total budget. This highlighted the county's dependence on national allocations for its operations. A balance of 2,012,204,897 Kshs was carried forward from the previous fiscal year, FY 2022/2023, making up 14.37% of the budget, reflecting prudent financial management.

Local revenue sources provided 585,000,000 Kshs, or 4.18% of the budget, while grants amounted to 572,895,523 Kshs, representing 4.09%. A small portion, 0.03%, came from the Transfer of Library Services, totalling 4,701,081 Kshs. This budget composition demonstrated the county's strategic reliance on national support, local revenue, and grants to meet its financial commitments.

**Table 1: FY 2023/2024 Approved budget Components**

SOURCE	AMOUNT	% OF TOTAL BUDGET
Balance b/f from FY 2022/2023	2,012,204,897	14.37
National Equitable Share	10,829,486,936	77.33
Transfer of Library Services	4,701,081	0.03
Local Revenue Sources	585,000,000	4.18
Grants	572,895,523	4.09
<b>TOTAL</b>	<b>14,004,288,437</b>	<b>100.00</b>



### Budget Trend from FY 2018/2019 to 2023/2024

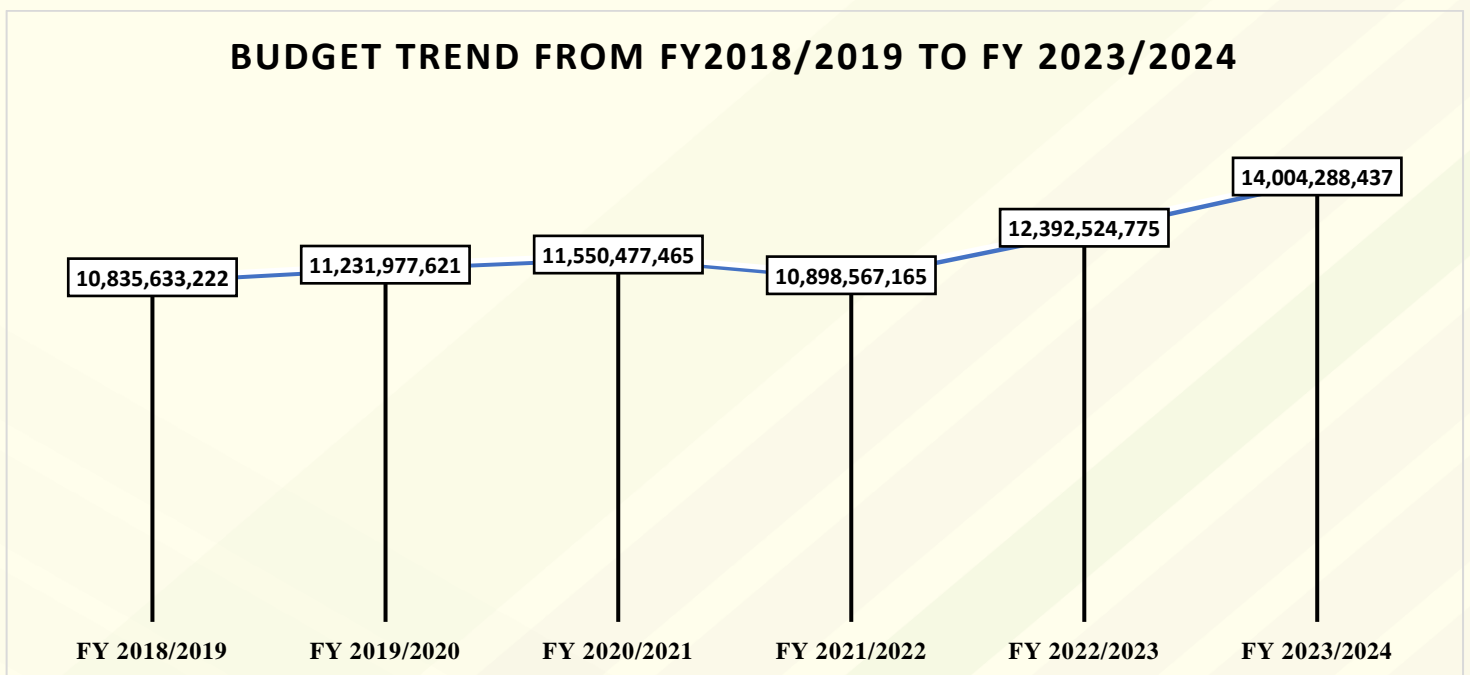
Over the years, Kitui County has experienced a consistent upward trend in its budgetary allocations, reflecting the county's expanding fiscal capacity and growing developmental priorities. The Total Resource Envelope, which serves as the financial foundation for the county's operations, has steadily increased from 10,835,633,222 Kshs in FY 2018/2019 to 14,004,288,437 Kshs in FY 2023/2024.

This gradual rise in budgetary allocations underscores the county's ability to enhance its resource mobilization efforts, securing more funds to meet the increasing demands of its residents. Notably, the budget grew by 396,344,399 Kshs from FY 2018/2019 to FY 2019/2020 and further by 318,499,844 Kshs in FY 2020/2021. However, there was a slight dip in FY 2021/2022, where the budget decreased to 10,898,567,165 Kshs. This reduction was likely a result of economic challenges or policy shifts.

Nonetheless, the county rebounded strongly in subsequent years, with the budget surging to 12,392,524,775 Kshs in FY 2022/2023 and reaching its peak in FY 2023/2024. This upward trajectory highlights Kitui County's commitment to sustained growth and development, ensuring that the financial resources are progressively aligned with the needs of its population.

**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
<b>Total Resource Envelope</b>	10,835,633,222	11,231,977,621	11,550,477,465	10,898,567,165	12,392,524,775	14,004,288,437



## 1.0 INRODUCTION

During the Financial Year 2023/2024, the County Government of Kitui steadfastly upheld its commitment to transparent and accountable fiscal governance, building upon the solid foundations laid in preceding years. The administration, with unwavering adherence to the principles enshrined in the Public Finance Management (PFM) Act of 2012 and the PFM (County Government) Regulations of 2015, consistently demonstrated its compliance with these statutory mandates.

The Budget Implementation Review Report (BIRR) for this fiscal year emerged as a crucial instrument in evaluating the county's fiscal health, meticulously scrutinizing both revenue generation mechanisms and expenditure trends. The rigorous adherence of the BIRR to its own stringent guidelines bore testament to the county's resolve to optimize resource allocation, thereby ensuring the effective and efficient execution of the budgetary provisions for the Financial Year 2023/2024.

These fiscal assessments were not merely procedural exercises; they played a vital role in reinforcing accountability and transparency within the county's financial management practices. Furthermore, the insights gleaned from these evaluations proved integral to the development of the County Budget Review and Outlook Paper (CBROP). As the fiscal year drew to a close, the CBROP served as a strategic blueprint, guiding the county's resource management and planning initiatives, and laying the groundwork for sustained fiscal prudence and economic growth.

## 2.0 REVIEW OF FISCAL PERFORMANCE FY2023/24 FISCAL PERFORMANCE

### 2.1 REVENUE PERFORMANCE

#### 2.1.1 Exchequer Releases

The actual exchequer releases from the National Government amounted to **Ksh. 10.829 billion** against the available budget amount of **Ksh. 10.829 billion** and **571.254 million** as grant.

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

	DATE	TRAN REF	DESCRIPTION	AMOUNT
1	28-Jul-23	FT23209B1R3C	Exchequer issue	920,506,390
2	25-Oct-23	FT232986PHTM	Exchequer issue	866,358,955
3	24-Nov-23	FT23328WX5R6	Exchequer issue	920,506,390
4	20-Dec-23	FT2335413NS8	Exchequer issue	866,358,955
5	25-Jan-24	FT24025QT4WB	Exchequer issue	920,506,390
6	20-Feb-24	FT24051VXDKB	Exchequer issue	866,358,955
7	27-Mar-24	FT240872LVBC	Exchequer issue	920,506,390
8	24-Apr-24	FT24115BQ1J4	Exchequer issue	920,506,390
9	23-May-24	FT2414488N6H	Exchequer issue	866,358,955
10	20-Jun-24	FT24172HHV2K	Exchequer issue	974,653,825
11	26-Jun-24	FT24178CLQ80	Exchequer issue	920,506,390
12			Exchequer issue	866,358,951
	<b>TOTAL</b>			<b>10,829,486,936</b>

**Table 4: Breakdown of Grants**

DATE	TRAN REF	DESCRIPTION	AMOUNT
06-Oct-24		ASDSP	500,000
27-Mar-24		ASDSP	1,292,965
<b>TOTAL</b>			<b>1,792,965</b>
<b>21-Jun-24</b>	<b>TRFS</b>	<b>DANIDA PHC</b>	<b>16,112,250</b>
02-Apr-24	TRFS	FLOCCA-CLIMATE CHANGE	102,903,532
25-Jun-24	PV002322	FLOCCA-CLIMATE CHANGE	102,903,532
05-Jul-24	TRFS	FLOCCA-CLIMATE CHANGE	11,000,000
<b>SUBTOTAL</b>			<b>216,807,064</b>
05-Apr-24	TRFS	LOCUST RESPONSE	95,513,836
25-Jun-24	PV002324	LOCUST RESPONSE	36,984,674
<b>SUBTOTAL</b>			<b>132,498,510</b>
<b>20-Mar-24</b>	<b>trfs</b>	<b>NARIGP</b>	<b>4,261,826</b>
20-Mar-24		NAVCDP	195,087,953
25-Jun-24	TRFS	NAVCDP	4,693,610
<b>SUBTOTALS</b>			<b>199,781,563</b>
<b>GRAND TOTALS</b>			<b>571,254,178.10</b>

### **2.1.2 Own Source Revenue Performance**

During the financial year 2023/24, Kitui County embarked on a robust revenue collection campaign, targeting various streams to bolster the county's financial standing. The results of these efforts are summarized below, highlighting key achievements and areas requiring further strategic focus.

#### **Agricultural Sector**

The agricultural sector showcased remarkable performance, with certain revenue streams surpassing their annual targets. Notably, Receipts from Sale of Agricultural Goods generated 1,015,530 Kshs, surpassing its target by 151.30%. Similarly, revenue from Ploughing reached 341.66% of its target, indicating a significant demand for agricultural services. These results are indicative of the sector's resilience and potential for future growth.

#### **Public Service Fees**

Revenue collection from public service-related fees also demonstrated strong outcomes. Training/Learning Centre Fees exceeded expectations by 35.46%, collecting 7,622,608 Kshs against a target of 5,627,014 Kshs. Moreover, the Agricultural Show generated 3,982,200 Kshs, achieving 141.54% of its targeted revenue, reflecting high public engagement and participation.

#### **Underperformance in Environmental and Regulatory Fees**

Certain streams did not meet their revenue targets, notably within the environmental and regulatory sectors. Sand Approval Fees, Pollution & Penalties recorded a significant shortfall, achieving only 9.16% of its target, with actual revenue at 566,500 Kshs against a target of 6,182,327 Kshs. This underperformance suggests potential inefficiencies in enforcement or a lower incidence of regulated activities.

#### **Mixed Results in Various Streams**

Several other revenue streams showed mixed results. Land Rates achieved 80.29% of its target, and the Ministry of Health and Public Health reached 77.69% of its anticipated revenue. These figures, while below target, still represent substantial contributions to the county's overall revenue.

#### **Overall Revenue Performance**

The cumulative revenue for the county from all sources amounted to 517,049,815.95 Kshs, achieving 88.38% of the targeted 585,000,000.01 Kshs. Although this represents a shortfall of 67,950,184.06 Kshs, it is nonetheless a commendable achievement given the varied performance across different revenue streams.

#### **Strategic Considerations**

Moving forward, Kitui County's revenue strategy should focus on enhancing the collection mechanisms in underperforming sectors, particularly environmental and regulatory fees, while continuing to support and expand high-performing areas such as agriculture and public services. By addressing these disparities, the county can improve its financial health and achieve a more balanced revenue portfolio in future fiscal periods.

**Table 5 : FY 2023/24 Locally Generated Revenue**

No	Revenue Stream	Annual Targeted Revenue (Kshs)	Actual Revenue	VARIANCE	Annual Realization (%)
1	Receipts from Sale of Agricultural Goods	671,222	1,015,530.00	(344,308.00)	151.30
2	Borehole Drilling	2,156,369	1,011,000.00	1,145,369.00	46.88
3	Engineering and Works Levy	6,752	6,000.00	752.00	88.86
4	Ploughing	46,142	157,650.00	(111,508.00)	341.66
5	Training/Learning Centre Fee	5,627,014	7,622,608.00	(1,995,594.00)	135.46
6	Agricultural show	2,813,506	3,982,200.00	(1,168,694.00)	141.54
7	Slaughter Houses Inspection Fee	45,270	19,400.00	25,870.00	42.85
8	Meat Inspection/Vetinary Services	873,211	1,030,312.00	(157,101.00)	117.99
9	Certificate to Transport/Movement permits	401,000	601,340.00	(200,340.00)	149.96
10	Dispatch note& Flayer License	7,091	12,300.00	(5,209.00)	173.46
11	Sand approval fee,pollution &penalties	6,182,327.00	566,500.00	5,615,827.00	9.16
12	Ministry of Health and publi health	350,500,826.00	272,308,708.95	78,192,117.05	77.69
13	Ministry of Tourism, Sports and culture	214,347.00	251,480.00	(37,133.00)	117.32
14	Land rates	15,912,597.00	12,776,097.00	3,136,500.00	80.29
15	Penalties &penalties	126,068.00	192,240.00	(66,172.00)	152.49
16	Land Administration Fees	12,862,327.00	13,215,053.00	(352,726.00)	102.74
17	Alcoholic Drinks License	14,468,391.00	22,476,805.00	(8,008,414.00)	155.35
18	Inspection of Schools and ECD centres	107,173.00	-	107,173.00	-
19	Weights and measures	750,213.00	485,330.00	264,883.00	64.69
20	Other county investments- Crusher	1,607,598.00	-	1,607,598.00	-
21	Cooperative Audit	375,107.00	375,794.00	(687.00)	100.18
22	Hire of Machines in Trade Department	535,867.00	1,226,368.00	(690,501.00)	228.86
23	Game reserves and park fees	107,171.00		107,171.00	-
24	Single Business Permits	83,056,943.45	86,654,680.00	(3,597,736.55)	104.33
25	House and Stalls Rents	3,010,359.17	2,917,240.00	93,119.17	96.91
26	Market Fees	16,060,908.11	15,129,916.00	930,992.11	94.20
27	Cess	9,913,071.24	15,576,016.00	(5,662,944.76)	157.13
28	Sign Board & Advertising	25,430,931.45	21,979,450.00	3,451,481.45	86.43
29	Transportation Fees	12,768,771.95	15,671,600.00	(2,902,828.05)	122.73
30	Slaughter Fees	1,946,406.34	2,598,455.00	(652,048.66)	133.50
31	Burial Fees	16,290.33	17,900.00	(1,609.67)	109.88
32	Parking fees	16,380,732.97	17,166,243.00	(785,510.03)	104.80
33	Sale & search of assets	17,996.00	5,600.00	12,396.00	31.12
	<b>TOTAL</b>	<b>585,000,000.01</b>	<b>517,049,815.95</b>	<b>67,950,184.06</b>	88.38

## 2.2 EXPENDITURE PERFORMANCE FORFY2023/2024

The financial overview of expenditures across various categories delineates a comprehensive portrait of fiscal performance, emphasizing both the efficacy and areas for improvement in budget management.

**Personal Emoluments** represented a substantial portion of the budget, with approved estimates amounting to **KSh 5,485,525,772**. The cumulative expenditure in this category reached **KSh 5,449,461,317**, resulting in a minimal variance of **KSh 36,064,455** and an impressive absorption rate of **99.34%**. This high absorption indicates a commendable capacity to effectively manage personnel-related expenditures, ensuring that salaries and benefits are disbursed efficiently and timely.

In terms of **Operations and Maintenance**, the approved estimates were **KSh 3,396,133,194**, with a cumulative expenditure of **KSh 3,098,483,834**. This resulted in a variance of **KSh 297,649,359** and an absorption rate of **91.24%**. This rate reflects solid fiscal management; however, the remaining variance suggests that there may be areas within operations and maintenance where efficiencies could be enhanced, ensuring that resources are fully allocated to necessary operational activities.

The **Development** budget showed a significant contrast, with approved estimates of **KSh 5,375,576,914** leading to a cumulative expenditure of **KSh 3,636,781,395**. This discrepancy resulted in a substantial variance of **KSh 1,738,795,517** and a relatively low absorption rate of **67.65%**. Such a rate underscores a critical need for strategic interventions to bolster project implementation and resource allocation. This underutilization highlights potential delays or inefficiencies in developmental initiatives that must be addressed to ensure that the allocated resources are effectively transformed into tangible developmental outcomes.

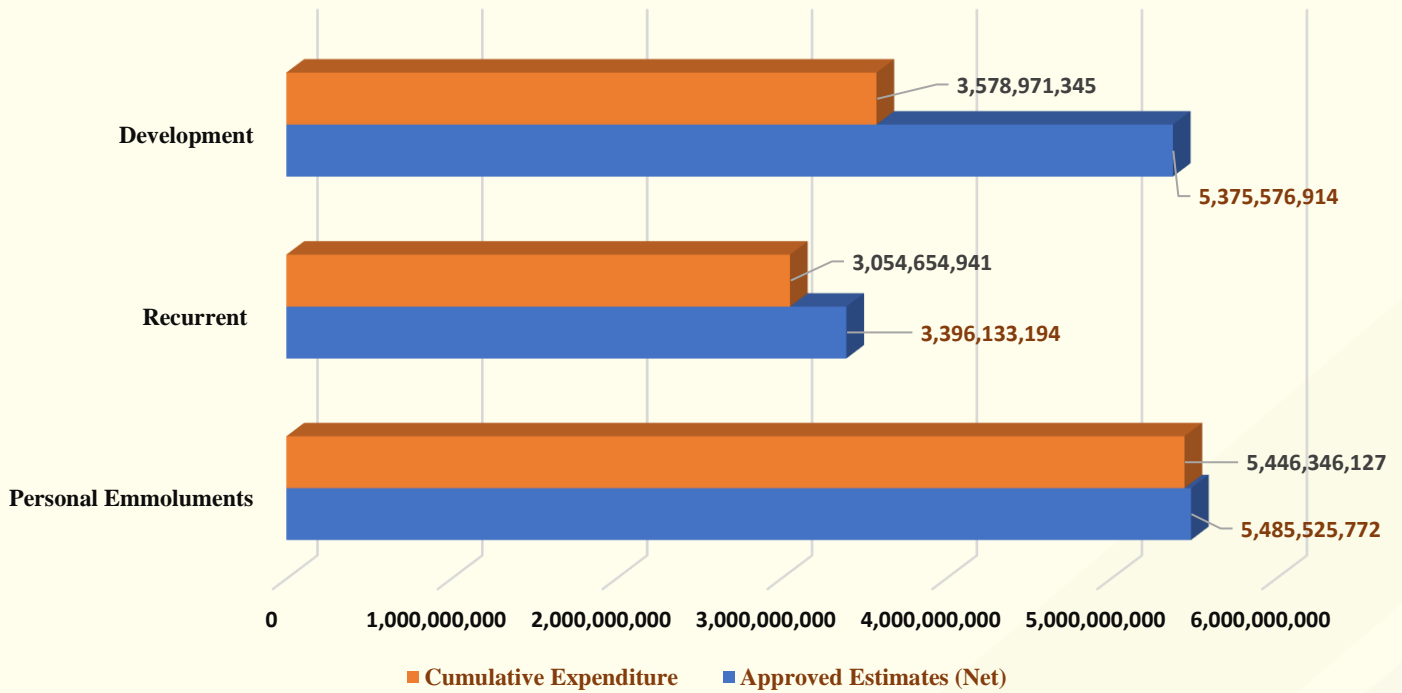
Overall, the **Grand Total** available budget amounted to **KSh 14,257,235,880**, with a cumulative expenditure of **KSh 12,184,726,546**. The resulting variance of **KSh 2,072,509,331** translates to an overall absorption rate of **85.46%**. While this figure demonstrates a generally effective management of public funds, it also accentuates areas, particularly within development expenditures, where more rigorous fiscal oversight and strategic planning are necessary to achieve optimal outcomes. Addressing these disparities will be vital in ensuring that financial resources are deployed in a manner that maximizes impact and fosters sustainable development.

**Table 6: Expenditure Performance for FY2023/2024**

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
Personal Emoluments	5,485,525,772	5,449,461,317	36,064,455	99.34
Operations & Maintenance	3,396,133,194	3,098,483,834	297,649,359	91.24
Development	5,375,576,914	3,636,781,395	1,738,795,517	67.65
<b>Grand Total</b>	<b>14,257,235,880</b>	<b>12,184,726,546</b>	<b>2,072,509,331</b>	<b>85.46</b>



## FY2023/24 EXPENDITURE BREAK DOWN



### 2.2.1 Departmental Expenditure Analysis for FY2023/2024

In the analysis of the fiscal performance for the financial year 2023/2024, the allocation and expenditure patterns across the various ministries and spending entities reveal a spectrum of efficiency, underscoring both fiscal discipline and areas of concern that necessitate closer scrutiny.

**County Assembly** recorded an expenditure absorption rate of **72.56%**, with KSh 1,022,961,294 spent out of the approved KSh 1,409,872,841. The **variance of KSh 386,911,547** reflects a substantial portion of unutilized funds, signalling either delays or inefficiencies in resource allocation or project execution.

The **County Public Service Board** demonstrated a solid performance with a **75.72% absorption rate**, utilizing KSh 60,069,026 from a KSh 79,333,803 allocation, leaving a variance of KSh 19,264,778. This expenditure shows a relatively high degree of budget utilization, although there remains room for improvement in maximizing fiscal impact.

Notably, the **Education Training and Skills Development** ministry emerged with one of the highest absorption rates at **92.78%**, expending KSh 972,452,548 against the allocated KSh 1,048,077,114. The **variance of KSh 75,624,565** is relatively minimal, indicative of effective planning and fund deployment, likely driven by ongoing educational initiatives.

In a standout display of operational and financial efficiency, the **Health and Sanitation** sector absorbed a remarkable **97.95%** of its KSh 3,717,865,325 budget, with only KSh 76,323,804 remaining unutilized. This high absorption rate is likely reflective of the sector’s critical nature, where funds are often fully directed toward addressing public health priorities.

**Kitui Municipality** absorbed **89.19%** of its allocated KSh 192,453,209, utilizing KSh 171,642,729 and leaving a variance of KSh 20,810,479. This rate is indicative of proficient municipal management, though there remains a margin for optimizing fund usage.

However, significant underperformance is evident within the **Ministry of Agriculture and Livestock**, which recorded an absorption rate of only **66.83%**, spending KSh 846,348,265 from a KSh 1,266,506,286 allocation. The **variance of KSh 420,158,022** suggests inefficiencies in fund deployment, potentially arising from project delays or administrative bottlenecks.

The **Ministry of Finance, Economic Planning, and Revenue Management** stood out with a **97.01%** absorption rate, underscoring commendable fiscal prudence. Out of an allocated KSh 657,695,933, the ministry utilized KSh 638,015,760, leaving a variance of KSh 19,680,173.

Conversely, the **Ministry of Energy, Environment, Forestry & Natural Resources** recorded a low absorption rate of **52.71%**, with KSh 243,217,333 expended from an allocation of KSh 461,386,010. The substantial **variance of KSh 218,168,677** raises questions regarding the ministry's capacity to implement its initiatives within the fiscal year.

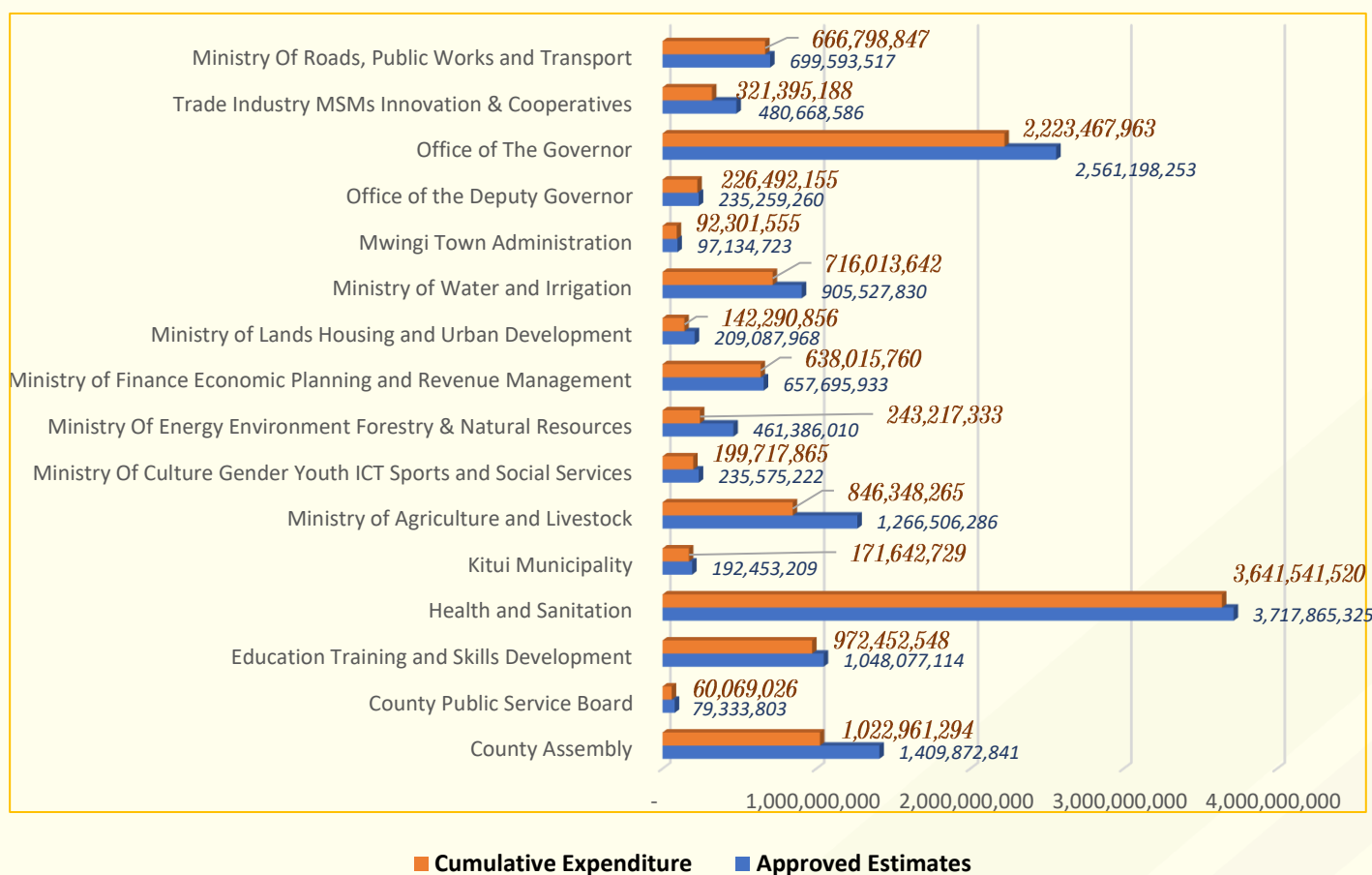
The cumulative performance across all ministries reflects a total expenditure of **KSh 12,184,726,546** against the approved estimates of **KSh 14,257,235,880**, leaving a variance of **KSh 2,072,509,331** and an overall absorption rate of **85.46%**. This aggregate figure is indicative of generally sound fiscal performance, though the significant variances in certain ministries, particularly Agriculture and Energy, highlight the need for targeted interventions to enhance financial management and operational effectiveness in these areas.

The FY 2023/24 report thus calls for strategic realignments, particularly in sectors lagging in fund utilization, to ensure that the County's developmental goals are achieved in line with the allocated financial resources.

**Table 7: Expenditure performance FY2023/2024**

Ministry/Spending Entity	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
County Assembly	1,409,872,841	1,022,961,294	386,911,547	72.56
County Public Service Board	79,333,803	60,069,026	19,264,778	75.72
Education Training and Skills Development	1,048,077,114	972,452,548	75,624,565	92.78
Health and Sanitation	3,717,865,325	3,641,541,520	76,323,804	97.95
Kitui Municipality	192,453,209	171,642,729	20,810,479	89.19
Ministry of Agriculture and Livestock	1,266,506,286	846,348,265	420,158,022	66.83
Ministry Of Culture Gender Youth ICT Sports and Social Services	235,575,222	199,717,865	35,857,357	84.78
Ministry Of Energy Environment Forestry & Natural Resources	461,386,010	243,217,333	218,168,677	52.71
Ministry of Finance Economic Planning and Revenue Management	657,695,933	638,015,760	19,680,173	97.01
Ministry of Lands Housing and Urban Development	209,087,968	142,290,856	66,797,110	68.05
Ministry of Water and Irrigation	905,527,830	716,013,642	189,514,190	79.07
Mwingi Town Administration	97,134,723	92,301,555	4,833,169	95.02
Office of the Deputy Governor	235,259,260	226,492,155	8,767,105	96.27
Office of The Governor	2,561,198,253	2,223,467,963	337,730,287	86.81
Trade Industry MSMs Innovation & Cooperatives	480,668,586	321,395,188	159,273,397	66.86
Ministry Of Roads, Public Works and Transport	699,593,517	666,798,847	32,794,671	95.31
<b>Grand Total</b>	<b>14,257,235,880</b>	<b>12,184,726,546</b>	<b>2,072,509,331</b>	<b>85.46</b>

## FY2023/24 EXPENDITURE VS APPROVED BUDGET



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

The financial overview presented here is a comprehensive reflection of fiscal discipline, resource allocation, and absorptive capacity, demonstrating both accomplishments and areas requiring heightened focus.

#### Recurrent Expenditure:

The category of **compensation to employees** was allocated a notable KSh 5.49 billion, with **99.34%** of the funds disbursed, leaving a minor variance of KSh 36 million. This reflects a near-perfect alignment between allocation and expenditure, highlighting effective payroll management. **Use of goods and services**, receiving KSh 2.25 billion, achieved an impressive **97.53%** absorption, leaving KSh 55.48 million unspent, indicative of strong procurement efficiency with marginal room for enhanced spending optimization.

The **current grants and other transfers**, primarily sourced from equitable shares, remarkably exceeded the anticipated absorption rate with **100.17%**, showing an over-expenditure of KSh 924,290, pointing to a slight but calculated reallocation in favor of transfer needs.

Contrastingly, the **social benefits** line item, which serves crucial welfare functions, demonstrates a significantly lower absorption rate of **79.77%**, with a gap of KSh 13.74 million

between allocated and actual expenditure. This under-expenditure suggests potential delays or inefficiencies in disbursement mechanisms.

Moving on to the **acquisition of non-financial assets**, which underpins long-term sustainability and infrastructure, the absorption rate stands at **84.59%**, leaving KSh 53.76 million in unused resources. Meanwhile, the **acquisition of financial assets** reveals a strikingly low absorption rate of **10.23%**, with KSh 175.59 million left underutilized. This suggests either delays in investment decisions or cautious deployment of financial resources, both of which warrant further analysis and corrective actions.

The sub-total for recurrent expenditures thus culminates in **96.24%** absorption, with a collective variance of KSh 333.71 million. This highlights commendable fiscal discipline, though some areas demand greater vigilance.

### **Development Expenditure:**

In the realm of development expenditures, the **capital transfers to government agencies** reflect a low absorption of **43.38%**, leaving a substantial variance of KSh 584.92 million. This significant underutilization may point to administrative bottlenecks or project delays that require immediate attention.

The **acquisition of non-financial assets** fared moderately better, with **72.33%** of the allocated KSh 4.05 billion spent, but a large portion, KSh 1.12 billion, remains unused. The implications of this under-expenditure could impact the timely realization of infrastructural development goals.

**Other development expenditures**, which cover a range of critical projects, achieved an impressive **86.55%** absorption, with KSh 31.16 million unspent. The **special fund** under this category shows a lower absorption at **57.62%**, leaving over half of its allocation, KSh 2.54 million, unused. **Transfers to other government entities**, however, show flawless execution with **100%** absorption, demonstrating excellent coordination and utilization.

The sub-total for development expenditures, with an absorption rate of **67.65%** and a variance of KSh 1.74 billion, signifies significant underutilization in critical capital and development projects.

### **Grand Total:**

In sum, the **grand total** absorption across both recurrent and development expenditures stands at **85.46%**, with a variance of KSh 2.07 billion. This overall picture underscores the necessity for reinforced oversight, particularly in development projects, to ensure that allocated resources are fully and effectively deployed to meet both immediate and long-term goals.

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

Description	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	5,485,525,772	5,449,461,317	36,064,455	99.34
2200000 Use of goods and services	2,250,580,976	2,195,099,386	55,481,587	97.53
2600000 Current grants and other Transfers- (From Equitable Share)	533,203,729	534,128,019	(924,290)	100.17
2700000 Social Benefits	67,909,156	54,171,551	13,737,605	79.77
3100000 Acquisition of Non-Financial Assets	348,844,670	295,084,878	53,759,794	84.59
4100000 Acquisition of Financial Assets	195,594,663	20,000,000	175,594,663	10.23
<b>Sub-Total</b>	<b>8,881,658,966</b>	<b>8,547,945,151</b>	<b>333,713,814</b>	<b>96.24</b>
<b>Development</b>				
Capital Transfers Govt. Agencies (Grants)	1,033,086,839	448,169,811	584,917,028	43.38
Non-Financial Asset	4,047,784,707	2,927,608,430	1,120,176,275	72.33
Other development	231,705,368	200,546,055	31,159,313	86.55
Other development(Special Fund)	6,000,000	3,457,100	2,542,900	57.62
Transfers to other Government Entities (Subsidy)	57,000,000	56,999,999	1	100.00
<b>Sub-Total</b>	<b>5,375,576,914</b>	<b>3,636,781,395</b>	<b>1,738,795,517</b>	<b>67.65</b>
<b>Grand Total</b>	<b>14,257,235,880</b>	<b>12,184,726,546</b>	<b>2,072,509,331</b>	<b>85.46</b>

### 2.2.3 Personal Emolument Overview

The financial landscape of **Personal Emolument Expenditure** across various ministries and entities reveals a commendable level of fiscal discipline, characterized by substantial budget absorption rates. Notably, the **County Assembly** allocated KSh 396.77 million, achieving an absorption rate of **99.37%**. This near-perfect utilization underscores the assembly's efficacy in managing its financial resources, with a mere variance of KSh 2.5 million. The **County Public Service Board** epitomizes budgetary adherence, exhibiting a flawless **100%** absorption of its allocation of KSh 31.85 million, signifying an impeccable execution of its financial mandate.

In the education sector, which received a substantial allocation of KSh 784.92 million for **Education, Training, and Skills Development**, the absorption rate reached **99.79%**. This indicates an adept capacity for financial management, with only KSh 1.69 million remaining unspent, reflecting the sector's commitment to delivering educational services efficiently. The **Health and Sanitation** sector, receiving the largest budgetary allocation of KSh 2.59 billion, demonstrated a robust absorption rate of **99.14%**. Although this figure indicates a slight underutilization of KSh 22.35 million, it nonetheless reflects effective resource management in a critical area of public service.

The **Kitui Municipality** also exhibited strong fiscal performance, utilizing **99.82%** of its KSh 49.99 million allocation, further exemplifying the prevailing trend of effective financial oversight. Conversely, the **Mwingi Town Administration** reported an absorption rate of **105.92%**, indicating expenditures that surpassed its budgetary allocation, potentially due to unforeseen circumstances.

Overall, the cumulative figures present an impressive grand total expenditure of KSh 5.49 billion, with an overall absorption rate of **99.34%**. The modest variance of KSh 36.06 million across the entire budget illustrates the careful planning and execution of financial resources by the respective ministries and entities. This analysis underscores the importance of maintaining a disciplined approach to fiscal management in ensuring the efficient delivery of public services.

**Table 9: Personal Emolument Expenditure**

<b>Ministry/ Spending Entity</b>	<b>Approved Estimates</b>	<b>Cumulative Expenditure</b>	<b>Variance</b>	<b>% Absorption</b>
County Assembly	396,771,385	394,270,337	2,501,048	99.37
County Public Service Board	31,847,496	31,847,496	-	100.00
Education Training and Skills Development	784,915,560	783,228,025	1,687,535	99.79
Health and Sanitation	2,585,543,721	2,563,194,325	22,349,396	99.14
Kitui Municipality	49,986,873	49,897,163	89,710	99.82
Ministry of Agriculture and Livestock	267,798,977	267,669,055	129,922	99.95
Ministry Of Culture Gender Youth ICT Sports and Social Services	22,123,712	22,123,636	76	100.00
Ministry Of Energy Environment Forestry & Natural Resources	48,480,739	48,334,062	146,677	99.70
Ministry of Finance Economic Planning and Revenue Management	323,314,043	323,313,317	726	100.00
Ministry of Lands Housing and Urban Development	42,802,551	42,355,604	446,947	98.96
Ministry of Water and Irrigation	58,194,466	58,192,918	1,548	100.00
Mwingi Town Administration	27,459,693	29,086,473	(1,626,780)	105.92
Office of the Deputy Governor	96,393,074	90,485,444	5,907,630	93.87
Office of The Governor	571,377,008	567,085,374	4,291,634	99.25
Trade Industry MSMs Innovation & Cooperatives	77,217,227	77,188,250	28,977	99.96
Ministry Of Roads, Public Works and Transport	101,299,247	101,189,838	109,409	99.89
<b>Grand Total</b>	<b>5,485,525,772</b>	<b>5,449,461,317</b>	<b>36,064,455</b>	<b>99.34</b>

## 2.2.4 Operational and Maintenance Expenditure Overview

The analysis of **Operational and Maintenance Expenditure** across various ministries and spending entities presents a nuanced view of fiscal performance, revealing a spectrum of budget absorption rates that highlight both effective financial management and areas necessitating improvement.

The **County Assembly**, with an allocation of KSh 784.04 million, reported an absorption rate of **76.84%**, reflecting a significant variance of KSh 181.55 million. This underutilization may suggest potential inefficiencies in resource allocation or execution. Similarly, the **County Public Service Board**, allocated KSh 32.49 million, achieved an absorption rate of **86.87%**, leaving a variance of KSh 4.26 million, indicating room for improved expenditure strategies.

In the critical area of **Education, Training, and Skills Development**, the allocated KSh 69.42 million resulted in a **73.82%** absorption rate, with KSh 18.17 million remaining unspent. This figure underscores the necessity for enhanced budgeting processes to ensure optimal utilization of resources in this vital sector. Conversely, the **Health and Sanitation** sector exhibited an impressive absorption rate of **99.37%** with KSh 881.99 million allocated, only KSh 5.55 million left unspent, reflecting effective management of funds in a sector that demands timely and adequate resources.

The **Kitui Municipality** performed moderately, absorbing **86.88%** of its KSh 42.57 million allocation, while the **Ministry of Agriculture and Livestock** reported a strong absorption rate of **93.52%** with KSh 93.77 million allocated. The **Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services** also showed commendable performance with a **97.17%** absorption rate.

However, the **Ministry of Lands, Housing, and Urban Development** faced challenges, achieving only **70.83%** absorption, resulting in a significant variance of KSh 20.73 million. Similarly, the **Ministry of Water and Irrigation** recorded an absorption rate of **79.42%**, underscoring a need for improved financial oversight.

Contrastingly, the **Office of the Governor** exhibited remarkable performance with an absorption rate exceeding 100% at **101.53%**, indicating an over-expenditure of KSh 10.81 million. This may suggest a proactive approach in addressing urgent operational needs, albeit at the risk of exceeding allocated budgets.

In summary, the grand total expenditure across all entities amounts to KSh 3.40 billion, with an overall absorption rate of **91.24%** and a variance of KSh 297.65 million. This analysis reveals a commendable commitment to fiscal responsibility while also emphasizing the need for enhanced strategies to address areas of underutilization and to ensure the effective delivery of essential services.

**Table 10: Operational and Maintenance Expenditure**

Ministry/ Spending Entity	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
County Assembly	784,042,903	602,490,957	181,551,946	76.84
County Public Service Board	32,486,307	28,221,530	4,264,778	86.87
Education Training and Skills Development	69,416,960	51,244,226	18,172,734	73.82
Health and Sanitation	881,986,791	876,437,092	5,549,698	99.37
Kitui Municipality	42,568,970	36,985,443	5,583,527	86.88
Ministry of Agriculture and Livestock	93,770,775	87,695,265	6,075,511	93.52
Ministry Of Culture Gender Youth ICT Sports and Social Services	90,371,068	87,814,573	2,556,495	97.17
Ministry Of Energy Environment Forestry & Natural Resources	43,132,977	42,235,378	897,599	97.92
Ministry of Finance Economic Planning and Revenue Management	194,425,174	177,410,608	17,014,566	91.25
Ministry of Lands Housing and Urban Development	71,055,007	50,329,089	20,725,916	70.83
Ministry of Water and Irrigation	57,586,239	45,736,135	11,850,104	79.42
Mwingi Town Administration	37,660,176	31,220,860	6,439,317	82.90
Office of the Deputy Governor	88,927,785	88,670,087	257,698	99.71
Office of The Governor	704,074,658	714,880,894	(10,806,238)	101.53
Trade Industry MSMs Innovation & Cooperatives	111,206,604	90,732,368	20,474,236	81.59
Ministry Of Roads, Public Works and Transport	93,420,800	86,379,329	7,041,472	92.46
<b>Grand Total</b>	<b>3,396,133,194</b>	<b>3,098,483,834</b>	<b>297,649,359</b>	<b>91.24</b>

### 2.2.5 Development Expenditure Overview

The examination of **Development Expenditure** across various ministries and spending entities reveals a diverse landscape of budget absorption, reflecting varying degrees of fiscal management and execution effectiveness.

The **County Assembly** received an allocation of KSh 229.06 million but exhibited a markedly low absorption rate of **11.44%**, with only KSh 26.20 million expended and a substantial variance of KSh 202.86 million. This suggests significant delays or inefficiencies in the implementation of development projects. In contrast, the **County Public Service Board** recorded no expenditure against its allocation of KSh 15 million, indicating a lack of activity or project initiation.

In the realm of **Education, Training, and Skills Development**, the allocated KSh 193.74 million resulted in a **71.22%** absorption rate, with KSh 137.98 million spent. This indicates a reasonable level of resource utilization, although a variance of KSh 55.76 million remains. The **Health and Sanitation** sector demonstrated a better absorption rate of **80.66%** with KSh 201.91 million expended from a total allocation of KSh 250.33 million, revealing a variance of KSh 48.42 million.

The **Kitui Municipality** performed moderately well, utilizing **84.85%** of its KSh 99.90 million allocation, while the **Ministry of Agriculture and Livestock** faced challenges, with an absorption rate of only **54.26%**, leaving KSh 413.95 million unspent from an allocation of KSh



904.94 million. This indicates significant underperformance in the utilization of development funds.

The **Ministry of Culture, Gender, Youth, ICT, Sports, and Social Services** reported a **72.94%** absorption rate with KSh 89.78 million spent, while the **Ministry of Energy, Environment, Forestry, and Natural Resources** faced the lowest absorption rate at **41.28%**, highlighting inefficiencies that warrant attention.

Conversely, the **Ministry of Finance, Economic Planning, and Revenue Management** excelled with a high absorption rate of **98.10%**, reflecting diligent fiscal management, while the **Ministry of Lands, Housing, and Urban Development** and the **Trade Industry, MSMs, Innovation & Cooperatives** exhibited absorption rates of **52.09%** and **52.52%**, respectively, indicating room for improvement in fund utilization.

Notably, the **Office of the Governor** and **Office of the Deputy Governor** reported absorption rates of **73.23%** and **94.79%**, respectively, with the former expending KSh 941.50 million from an allocation of KSh 1.29 billion.

In total, the grand expenditure amounted to KSh 5.38 billion, with an overall absorption rate of **67.65%** and a variance of KSh 1.74 billion. This analysis underscores the necessity for enhanced strategies to optimize fund utilization, particularly in sectors with significant unspent allocations, thereby ensuring that development initiatives are effectively realized.

**Table 11: Development Expenditure**

Ministry/ Spending Entity	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
County Assembly	229,058,553	26,200,000	202,858,553	11.44
County Public Service Board	15,000,000	-	15,000,000	-
Education Training and Skills Development	193,744,594	137,980,297	55,764,296	71.22
Health and Sanitation	250,334,813	201,910,103	48,424,710	80.66
Kitui Municipality	99,897,366	84,760,123	15,137,242	84.85
Ministry of Agriculture and Livestock	904,936,534	490,983,945	413,952,589	54.26
Ministry Of Culture Gender Youth ICT Sports and Social Services	123,080,442	89,779,656	33,300,786	72.94
Ministry Of Energy Environment Forestry & Natural Resources	369,772,294	152,647,893	217,124,401	41.28
Ministry of Finance Economic Planning and Revenue Management	139,956,716	137,291,835	2,664,881	98.10
Ministry of Lands Housing and Urban Development	95,230,410	49,606,163	45,624,247	52.09
Ministry of Water and Irrigation	789,747,125	612,084,589	177,662,538	77.50
Mwingi Town Administration	32,014,854	31,994,222	20,632	99.94
Office of the Deputy Governor	49,938,401	47,336,624	2,601,777	94.79
Office of The Governor	1,285,746,587	941,501,695	344,244,891	73.23
Trade Industry MSMs Innovation & Cooperatives	292,244,755	153,474,570	138,770,184	52.52
Ministry Of Roads, Public Works and Transport	504,873,470	479,229,680	25,643,790	94.92
<b>Grand Total</b>	<b>5,375,576,914</b>	<b>3,636,781,395</b>	<b>1,738,795,517</b>	<b>67.65</b>

### 3.0 STATUS OF COUNTY PENDING BILLS BY THE END OF FY 2023/2024

By the end of the FY2023/24, the status of pending bills reveals a mixed picture of progress and outstanding obligations. Among the lots, significant amounts have been disbursed, with Lot 1 leading at Ksh 226,806,528.54, followed by Lot 3 with Ksh 305,858,977.80, and Lot 2 with Ksh 129,844,234.91. Notably, payments related to court degrees and awards amount to Ksh 147,006,469.45, indicating a commitment to fulfilling legal obligations. However, a substantial sum remains unpaid, with Lot 1 accounting for Ksh 80,619,439.06, Lot 2 for Ksh 78,938,426.19, and Lot 3 for Ksh 46,483,265.80, totalling **Ksh 206,041,131.05**. While progress has been made in clearing bills, the outstanding balance underscores the need for continued efforts to address pending obligations effectively.

**Table 12: Status of Pending bills by the end of FY2023/24**

<i>SUMMARY &amp; NOTES</i>	<i>LOT</i>	<i>AMOUNT</i>
<b>PAID</b>	<i>LOT 1</i>	226,806,528.54
	<i>LOT 2</i>	129,844,234.91
	<i>LOT 3</i>	305,858,977.80
<i>COURT DEGREES AND AWARDS PAID</i>		147,006,469.45
<i>PENDING BILLS SUBJECT TO VALUATION PAID</i>		91,530,710.00
<b>TOTAL PAID</b>		<b>901,046,920.70</b>
<b>UNPAID</b>	<i>LOT 1</i>	80,619,439.06
	<i>LOT 2</i>	78,938,426.19
	<i>LOT 3</i>	46,483,265.80
<b>TOTAL UNPDAID</b>		<b>206,041,131.05</b>

## 4.0 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.

### 4.1 EMERGING ISSUES

1. **Underutilization of Development Funds:** The development expenditure absorption rate of **67.65%** indicates significant underutilization of allocated funds. This shortfall suggests potential inefficiencies in project planning and execution, which could hinder long-term growth and development objectives. Immediate attention is necessary to identify bottlenecks and streamline processes to ensure that approved development initiatives are fully funded and realized.
2. **Revenue Shortfalls:** The total revenue realization rate of **88.38%** reveals a gap between targeted and actual revenue. This shortfall may result from inadequate revenue collection mechanisms or insufficient engagement with potential revenue-generating sectors. Addressing these gaps is essential to ensure financial stability and reduce reliance on national transfers.
3. **High Variance in Operational Expenditures:** Significant variances in operational expenditures, such as those observed in the County Assembly (variance of **76.84%**), may point to mismanagement or misalignment of budgetary allocations with actual needs. This could lead to budgetary pressures and necessitate a reassessment of operational budgets to align them more closely with actual expenditure patterns.
4. **Dependence on National Transfers:** The county's reliance on national government transfers, totalling **KSh 10,829,486,936**, poses a risk to financial independence. Fluctuations in these transfers due to national fiscal policies could impact the county's ability to meet its financial obligations and implement critical projects. Developing alternative revenue streams is essential for financial sustainability.
5. **Sector-Specific Revenue Challenges:** Certain sectors, such as the Ministry of Health, which only realized **77.69%** of its revenue target, indicate challenges in service delivery and revenue collection. Such issues may affect the overall functionality of essential services, necessitating a thorough review of service delivery models and engagement strategies to enhance revenue generation.
6. **Inconsistent Grant Management:** The total grants received, amounting to **KSh 571,254,178.10**, highlight opportunities for external funding; however, inconsistencies in grant management can lead to missed opportunities for utilizing these funds effectively. Strengthening grant management processes and ensuring accountability is crucial to maximize the benefits of external support.
7. **Economic Pressures and Inflation:** External economic factors, such as inflation and changing commodity prices, may impact the cost of goods and services, affecting budgetary projections and overall financial planning. Monitoring economic indicators and adjusting budgets accordingly will be necessary to mitigate potential adverse effects.
8. **Capacity Building Needs:** There may be a lack of capacity among staff in financial management, project implementation, and revenue collection processes. Investing in training

and capacity-building initiatives will be critical to enhance the skills of personnel, ensuring effective management of resources and compliance with best practices.

9. **Increased Scrutiny and Accountability:** As public awareness of financial management grows, there may be increased scrutiny from stakeholders regarding the effective use of public funds. Establishing robust accountability mechanisms and transparent reporting processes will be vital in maintaining public trust and confidence in financial management practices.
10. **Need for Strategic Planning:** The financial year reflects a pressing need for comprehensive strategic planning to align budgetary allocations with developmental goals. Developing clear, actionable plans will ensure that resources are effectively directed towards priority areas that can drive growth and improve service delivery.

## 4.2 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. **Budgetary Constraints:** The substantial variance between approved estimates and actual expenditure, particularly in development spending, indicates a persistent challenge in effectively managing allocated budgets. Budgetary constraints may hinder the execution of critical projects and services, thereby affecting the county's developmental agenda.
6. **Inefficiencies in Revenue Collection:** The overall revenue realization rate of **88.38%** highlights systemic inefficiencies in revenue collection mechanisms. Challenges such as outdated technology, inadequate staff training, and poor public awareness regarding fees and licenses can hinder the county's ability to achieve its revenue targets.
7. **Dependency on External Funding:** The heavy reliance on national government transfers for funding operations creates vulnerability to shifts in national fiscal policy. A potential reduction in transfers could significantly impact the county's operational capabilities and development projects, underscoring the need for diversification of revenue sources.
8. **High Operational Expenditure:** The operational and maintenance expenditure absorption rate of **91.24%** indicates that a considerable portion of funds is consumed by routine operations, leaving limited resources for strategic initiatives and development projects. This situation could hinder long-term growth prospects and overall service improvement.
9. **Economic Instability:** External economic factors, such as inflation, currency fluctuations, and rising commodity prices, pose significant risks to budget execution. Such instability may lead

to increased costs of service delivery and infrastructure projects, straining financial resources and compromising planned activities.

10. **Project Implementation Delays:** Delays in project implementation can arise from bureaucratic hurdles, inadequate planning, and stakeholder conflicts. Such delays may result in cost overruns, reduced effectiveness of programs, and the inability to meet set objectives within the financial year.

### 4.3 RECOMMENDATIONS

1. **Enhance Revenue Collection Mechanisms:** Implement modern technology and data analytics to streamline revenue collection processes. Improving public awareness about various fees and licenses through campaigns can also boost compliance and increase revenue realization rates.
2. **Diversify Funding Sources:** Explore alternative funding sources such as public-private partnerships, grants, and innovative financing mechanisms. This diversification can reduce dependency on national government transfers and enhance financial resilience.
3. **Strengthen Budgetary Management:** Improve the budget planning and execution processes to ensure a closer alignment between approved estimates and actual expenditures. Regular monitoring and evaluation should be conducted to identify and address variances promptly.
4. **Invest in Capacity Building:** Provide training and professional development for staff involved in financial management, project implementation, and revenue collection. Enhancing skills and knowledge can lead to improved efficiency and effectiveness in service delivery.
5. **Implement Rigorous Project Monitoring:** Establish robust project monitoring and evaluation frameworks to track progress and outcomes. Regular reviews of ongoing projects can help identify delays and challenges early on, allowing for timely interventions.
6. **Focus on Operational Efficiency:** Analyze operational expenditure patterns and identify areas for cost-saving measures. Implementing efficiency initiatives can free up resources for critical development projects and reduce the burden of routine costs.
7. **Strengthen Financial Reporting and Accountability:** Improve financial reporting systems to ensure timely and accurate dissemination of financial information. Enhancing accountability through regular audits and public reporting can build public confidence in the management of public funds.
8. **Enhance Collaboration with National Government:** Foster strong partnerships with national government agencies to secure additional funding and support for key initiatives. Collaborative efforts can help address shared challenges and leverage resources effectively.
9. **Promote Economic Development Initiatives:** Invest in programs that stimulate economic growth, such as entrepreneurship training, infrastructure development, and job creation. Promoting local economic development can increase the tax base and improve overall revenue generation.

## 5.0 ANNEXURE 1

Annex I: FY 2023/24 Departmental Expenditure Performance by Economic Classification and Departments

### 5.1 OFFICE OF THE GOVERNOR

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	571,377,008	567,085,374	4,291,634	99.25
2200000 Use of goods and services	534,542,362	543,209,345	(8,666,985)	101.62
2600000 Current grants and other Transfers-(From Equitable Share)	86,400,000	86,400,000	-	100.00
3100000 Acquisition of Non-Financial Assets	83,132,296	85,271,549	(2,139,253)	102.57
<b>Sub-Total</b>	<b>1,275,451,666</b>	<b>1,281,966,268</b>	<b>(6,514,604)</b>	<b>100.51</b>
<b>Development</b>				
Non-Financial Asset	1,285,746,587	941,501,695	344,244,891	73.23
<b>Sub-Total</b>	<b>1,285,746,587</b>	<b>941,501,695</b>	<b>344,244,891</b>	<b>73.23</b>
<b>Grand Total</b>	<b>2,561,198,253</b>	<b>2,223,467,963</b>	<b>337,730,287</b>	<b>86.81</b>

#### 5.1.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Decentralized Units Service Delivery Coordination	233,139,817	134,154,498	98,985,317	57.54
General Administration and Planning	2,099,970,356	1,874,928,628	225,041,727	89.28
Governor's Service Delivery Unit & Public Communication	130,950,804	123,764,134	7,186,670	94.51
Office of Chief of Staff	31,958,000	28,278,436	3,679,564	88.49
Office of County Attorney	50,875,866	48,681,184	2,194,682	95.69
Office of the County secretary	14,303,410	13,661,083	642,327	95.51
<b>Grand Total</b>	<b>2,561,198,253</b>	<b>2,223,467,963</b>	<b>337,730,287</b>	<b>86.81</b>

### 5.2 OFFICE OF THE DEPUTY GOVERNOR

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	96,393,074	90,485,444	5,907,630	93.87
2200000 Use of goods and services	71,374,221	72,557,117	(1,182,896)	101.66
3100000 Acquisition of Non-Financial Assets	17,553,564	16,112,970	1,440,594	91.79
<b>Sub-Total</b>	<b>185,320,859</b>	<b>179,155,531</b>	<b>6,165,328</b>	<b>96.67</b>
<b>Development</b>				
Non-Financial Asset	43,938,401	43,879,524	58,877	99.87
Other development(Special Fund)	6,000,000	3,457,100	2,542,900	57.62
<b>Sub-Total</b>	<b>49,938,401</b>	<b>47,336,624</b>	<b>2,601,777</b>	<b>94.79</b>
<b>Grand Total</b>	<b>235,259,260</b>	<b>226,492,155</b>	<b>8,767,105</b>	<b>96.27</b>

### 5.2.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Kitui - Office of the Deputy Governor	235,259,260	226,492,155	8,767,105	96.27
Administration Planning & Support Services	39,102,141	37,183,716	1,918,425	95.09
Performance Mgt & Disaster Mitigation	83,935,673	80,784,776	3,150,897	96.25
Tourism Devt & Promotion	112,221,446	108,523,663	3,697,783	96.70
<b>Grand Total</b>	<b>235,259,260</b>	<b>226,492,155</b>	<b>8,767,105</b>	<b>96.27</b>

## 5.3 MINISTRY OF WATER AND IRRIGATION

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	58,194,466	58,192,918	1,548	100.00
2200000 Use of goods and services	45,673,021	43,015,625	2,657,396	94.18
3100000 Acquisition of Non-Financial Assets	11,913,218	2,720,510	9,192,708	22.84
<b>Sub-Total</b>	<b>115,780,705</b>	<b>103,929,053</b>	<b>11,851,652</b>	<b>89.76</b>
<b>Development</b>				
Capital Transfers Govt. Agencies (Grants)	3,000,000	2,200,250	799,750	73.34
Non-Financial Asset	729,747,125	552,884,340	176,862,787	75.76
Transfers to other Government Entities (Subsidy)	57,000,000	56,999,999	1	100.00
<b>Sub-Total</b>	<b>789,747,125</b>	<b>612,084,589</b>	<b>177,662,538</b>	<b>77.50</b>
<b>Grand Total</b>	<b>905,527,830</b>	<b>716,013,642</b>	<b>189,514,190</b>	<b>79.07</b>

### 5.3.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
General Administration & Planning	64,481,730	63,826,570	655,160	98.98
Irrigation	351,645,843	277,298,378	74,347,466	78.86
Water	489,400,257	374,888,694	114,511,564	76.60
<b>Grand Total</b>	<b>905,527,830</b>	<b>716,013,642</b>	<b>189,514,190</b>	<b>79.07</b>

## 5.4 MINISTRY OF EDUCATION & SKILLS DEVELOPMENT

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	784,915,560	783,228,025	1,687,535	99.79
2200000 Use of goods and services	61,028,054	43,481,556	17,546,498	71.25
3100000 Acquisition of Non-Financial Assets	8,388,906	7,762,670	626,236	92.53
<b>Sub-Total</b>	<b>854,332,520</b>	<b>834,472,251</b>	<b>19,860,269</b>	<b>97.68</b>
<b>Development</b>				
Non-Financial Asset	193,744,594	137,980,297	55,764,296	71.22
<b>Sub-Total</b>	<b>193,744,594</b>	<b>137,980,297</b>	<b>55,764,296</b>	<b>71.22</b>
<b>Grand Total</b>	<b>1,048,077,114</b>	<b>972,452,548</b>	<b>75,624,565</b>	<b>92.78</b>

### 5.4.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Basic Education, ECDE & Childcare Facilities	824,516,071	786,273,580	38,242,490	95.36
General Administration & Planning	117,893,531	117,098,068	795,463	99.33
Polytechnics Vocational Centres & Home Craft Centres	105,667,512	69,080,900	36,586,612	65.38
<b>Grand Total</b>	<b>1,048,077,114</b>	<b>972,452,548</b>	<b>75,624,565</b>	<b>92.78</b>

## 5.5 MINISTRY OF ROADS, PUBLIC WORKS & TRANSPORT

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	101,299,247	101,189,838	109,409	99.89
2200000 Use of goods and services	36,581,440	41,981,068	(5,399,628)	114.76
3100000 Acquisition of Non-Financial Assets	56,839,360	44,398,261	12,441,100	78.11
<b>Sub-Total</b>	<b>194,720,047</b>	<b>187,569,167</b>	<b>7,150,881</b>	<b>96.33</b>
<b>Development</b>				
Non-Financial Asset	499,873,470	474,234,880	25,638,590	94.87
Other development	5,000,000	4,994,800	5,200	99.90
<b>Sub-Total</b>	<b>504,873,470</b>	<b>479,229,680</b>	<b>25,643,790</b>	<b>94.92</b>
<b>Grand Total</b>	<b>699,593,517</b>	<b>666,798,847</b>	<b>32,794,671</b>	<b>95.31</b>

### 5.5.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
General Administration & Planning	129,062,997	127,428,587	1,634,410	98.73
Public Works	198,849,450	174,025,306	24,824,145	87.52
Roads, Transport & Mechanical Services	371,681,070	365,344,954	6,336,116	98.30
<b>Grand Total</b>	<b>699,593,517</b>	<b>666,798,847</b>	<b>32,794,671</b>	<b>95.31</b>

## 5.6 MINISTRY OF HEALTH AND SANITATION

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	2,585,543,721	2,563,194,325	22,349,396	99.14
2200000 Use of goods and services	435,622,588	430,599,001	5,023,586	98.85
2600000 Current grants and other Transfers-(From Equitable Share)	443,375,929	444,300,358	(924,429)	100.21
3100000 Acquisition of Non-Financial Assets	2,988,274	1,537,733	1,450,541	51.46
<b>Sub-Total</b>	<b>3,467,530,512</b>	<b>3,439,631,417</b>	<b>27,899,094</b>	<b>99.20</b>
<b>Development</b>				
Capital Transfers Govt. Agencies (Grants)	21,274,334	20,113,266	1,161,068	94.54
Non-Financial Asset	229,060,479	181,796,837	47,263,642	79.37
<b>Sub-Total</b>	<b>250,334,813</b>	<b>201,910,103</b>	<b>48,424,710</b>	<b>80.66</b>
<b>Grand Total</b>	<b>3,717,865,325</b>	<b>3,641,541,520</b>	<b>76,323,804</b>	<b>97.95</b>



### 5.6.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Curative and Rehabilitative Services	1,166,047,483	1,130,633,102	35,414,380	96.96
Medical Services	1,509,462,057	1,480,177,478	29,284,579	98.06
Public Health	1,042,355,785	1,030,730,940	11,624,845	98.88
<b>Grand Total</b>	<b>3,717,865,325</b>	<b>3,641,541,520</b>	<b>76,323,804</b>	<b>97.95</b>

### 5.7 MINISTRY OF TRADE, INDUSTRY, MSMES, INNOVATION & COOPERATIVES

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	77,217,227	77,188,250	28,977	99.96
2200000 Use of goods and services	64,540,945	64,244,679	296,266	99.54
3100000 Acquisition of Non-Financial Assets	26,665,659	26,487,689	177,970	99.33
4100000 Acquisition of Financial Assets	20,000,000	-	20,000,000	-
<b>Sub-Total</b>	<b>188,423,831</b>	<b>167,920,618</b>	<b>20,503,213</b>	<b>89.12</b>
<b>Development</b>				
Non-Financial Asset	292,244,755	153,474,570	138,770,184	52.52
<b>Sub-Total</b>	<b>292,244,755</b>	<b>153,474,570</b>	<b>138,770,184</b>	<b>52.52</b>
<b>Grand Total</b>	<b>480,668,586</b>	<b>321,395,188</b>	<b>159,273,397</b>	<b>66.86</b>

### 5.7.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Cooperatives	53,588,822	33,507,307	20,081,515	62.53
General Administration & Planning	114,188,485	112,878,269	1,310,216	98.85
Trade & Markets	312,891,279	175,009,612	137,881,666	55.93
<b>Grand Total</b>	<b>480,668,586</b>	<b>321,395,188</b>	<b>159,273,397</b>	<b>66.86</b>

### 5.8 ENERGY, ENVIRONMENT, FORESTRY, NATURAL & MINERAL RESOURCES

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	48,480,739	48,334,062	146,677	99.70
2200000 Use of goods and services	28,559,219	27,663,735	895,484	96.86
3100000 Acquisition of Non-Financial Assets	14,573,758	14,571,643	2,115	99.99
<b>Sub-Total</b>	<b>91,613,716</b>	<b>90,569,440</b>	<b>1,044,276</b>	<b>98.86</b>
<b>Development</b>				
Capital Transfers Govt. Agencies (Grants)	280,175,142	76,027,351	204,147,791	27.14
Non-Financial Asset	89,597,152	76,620,542	12,976,610	85.52
<b>Sub-Total</b>	<b>369,772,294</b>	<b>152,647,893</b>	<b>217,124,401</b>	<b>41.28</b>
<b>Grand Total</b>	<b>461,386,010</b>	<b>243,217,333</b>	<b>218,168,677</b>	<b>52.71</b>

### 5.8.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Energy, Minerals & Natural Resources	119,932,187	106,389,436	13,542,751	88.71
Environment & Forestry	309,684,919	105,240,701	204,444,218	33.98
General Administration & Planning	31,768,904	31,587,196	181,708	99.43
<b>Grand Total</b>	<b>461,386,010</b>	<b>243,217,333</b>	<b>218,168,677</b>	<b>52.71</b>

## 5.9 MINISTRY OF CULTURE, GENDER, YOUTH, ICT, SPORTS & SOCIAL SERVICES

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	22,123,712	22,123,636	76	100.00
2200000 Use of goods and services	75,682,111	73,743,365	1,938,746	97.44
2600000 Current grants and other Transfers-(From Equitable Share)	1,160,000	1,159,861	139	99.99
3100000 Acquisition of Non-Financial Assets	13,528,957	12,911,347	617,610	95.43
4100000 Acquisition of Financial Assets	-	-	-	-
<b>Sub-Total</b>	<b>112,494,780</b>	<b>109,938,209</b>	<b>2,556,571</b>	<b>97.73</b>
<b>Development</b>				
Non-Financial Asset	123,080,442	89,779,656	33,300,786	72.94
<b>Sub-Total</b>	<b>123,080,442</b>	<b>89,779,656</b>	<b>33,300,786</b>	<b>72.94</b>
<b>Grand Total</b>	<b>235,575,222</b>	<b>199,717,865</b>	<b>35,857,357</b>	<b>84.78</b>

### 5.9.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Culture Gender & Social Services	61,575,945	45,264,616	16,311,329	73.51
General Administration & Planning	40,317,632	40,631,723	(314,091)	100.78
Sports	105,219,634	89,826,715	15,392,919	85.37
Youth Sports ICT & Innovation	28,462,011	23,994,811	4,467,200	84.30
<b>Grand Total</b>	<b>235,575,222</b>	<b>199,717,865</b>	<b>35,857,357</b>	<b>84.78</b>

## 5.10 MINISTRY OF FINANCE, ECONOMIC PLANNING & REVENUE MANAGEMENT

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
2100000 Compensation to Employees	323,314,043	323,313,317	726	100.00
2200000 Use of goods and services	135,351,374	133,730,737	1,620,637	98.80
3100000 Acquisition of Non-Financial Assets	24,073,800	23,679,871	393,929	98.36
4100000 Acquisition of Financial Assets	35,000,000	20,000,000	15,000,000	57.14
<b>Sub-Total</b>	<b>517,739,217</b>	<b>500,723,925</b>	<b>17,015,292</b>	<b>96.71</b>
<b>Development</b>				
Other development	139,956,716	137,291,835	2,664,881	98.10
<b>Sub-Total</b>	<b>139,956,716</b>	<b>137,291,835</b>	<b>2,664,881</b>	<b>98.10</b>
<b>Grand Total</b>	<b>657,695,933</b>	<b>638,015,760</b>	<b>19,680,173</b>	<b>97.01</b>

### 5.10.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Accounts	29,449,800	29,323,027	126,773	99.57
Budgetary Supplies	23,798,791	23,631,072	167,719	99.30
Economic Planning	28,055,576	27,517,935	537,641	98.08
General Administration & Planning	520,576,347	502,763,048	17,813,299	96.58
Internal Audit	10,957,200	10,658,857	298,343	97.28
Revenue Management	44,858,219	44,121,821	736,398	98.36
<b>Grand Total</b>	<b>657,695,933</b>	<b>638,015,760</b>	<b>19,680,173</b>	<b>97.01</b>

### 5.11 MINISTRY OF AGRICULTURE & LIVESTOCK

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	267,798,977	267,669,055	129,922	99.95
2200000 Use of goods and services	80,279,319	74,930,444	5,348,876	93.34
2600000 Current grants and other Transfers-(From Equitable Share)	2,267,800	2,267,800	-	100.00
3100000 Acquisition of Non-Financial Assets	11,223,656	10,497,021	726,635	93.53
<b>Sub-Total</b>	<b>361,569,752</b>	<b>355,364,320</b>	<b>6,205,433</b>	<b>98.28</b>
<b>Development</b>				
Capital Transfers Govt. Agencies (Grants)	728,637,363	349,828,944	378,808,419	48.01
Non-Financial Asset	89,550,519	82,895,581	6,654,938	92.57
Other development	86,748,652	58,259,420	28,489,232	67.16
<b>Sub-Total</b>	<b>904,936,534</b>	<b>490,983,945</b>	<b>413,952,589</b>	<b>54.26</b>
<b>Grand Total</b>	<b>1,266,506,286</b>	<b>846,348,265</b>	<b>420,158,022</b>	<b>66.83</b>

#### 5.11.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Agriculture	873,311,817	533,214,283	340,097,534	61.06
Aquaculture Devt	723,997	470,637	253,360	65.01
General Administration	221,929,913	223,031,150	(1,101,236)	100.50
Livestock Devt	170,540,559	89,632,195	80,908,364	52.56
<b>Grand Total</b>	<b>1,266,506,286</b>	<b>846,348,265</b>	<b>420,158,022</b>	<b>66.83</b>

### 5.12 MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	42,802,551	42,355,604	446,947	98.96
2200000 Use of goods and services	28,621,133	29,104,775	(483,644)	101.69
3100000 Acquisition of Non-Financial Assets	42,433,874	21,224,314	21,209,560	50.02
<b>Sub-Total</b>	<b>113,857,558</b>	<b>92,684,693</b>	<b>21,172,863</b>	<b>81.40</b>
<b>Development</b>				
Non-Financial Asset	95,230,410	49,606,163	45,624,247	52.09
Other development	-	-	-	-
<b>Sub-Total</b>	<b>95,230,410</b>	<b>49,606,163</b>	<b>45,624,247</b>	<b>52.09</b>

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Grand Total</b>	<b>209,087,968</b>	<b>142,290,856</b>	<b>66,797,110</b>	<b>68.05</b>

### 5.12.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
General Administration	72,900,914	61,683,223	11,217,690	84.61
Land information & Management	42,489,907	13,824,990	28,664,917	32.54
Land Survey	14,002,922	6,818,298	7,184,623	48.69
Lands & Housing	6,980,170	2,576,762	4,403,408	36.92
Urban Development	72,714,055	57,387,583	15,326,472	78.92
<b>Grand Total</b>	<b>209,087,968</b>	<b>142,290,856</b>	<b>66,797,110</b>	<b>68.05</b>

### 5.13 COUNTY PUBLIC SERVICE BOARD

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	31,847,496	31,847,496	-	100.00
2200000 Use of goods and services	31,003,589	27,497,580	3,506,010	88.69
3100000 Acquisition of Non-Financial Assets	1,482,718	723,950	758,768	48.83
<b>Sub-Total</b>	<b>64,333,803</b>	<b>60,069,026</b>	<b>4,264,778</b>	<b>93.37</b>
<b>Development</b>				
Non-Financial Asset	15,000,000	-	15,000,000	-
<b>Sub-Total</b>	<b>15,000,000</b>	<b>-</b>	<b>15,000,000</b>	<b>0.00</b>
<b>Grand Total</b>	<b>79,333,803</b>	<b>60,069,026</b>	<b>19,264,778</b>	<b>75.72</b>

### 5.13.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
General Administration and Planning	61,475,589	45,024,092	16,451,497	73.24
Human Resources and Legislation	17,858,214	15,044,934	2,813,281	84.25
<b>Grand Total</b>	<b>79,333,803</b>	<b>60,069,026</b>	<b>19,264,778</b>	<b>75.72</b>

### 5.14 COUNTY ASSEMBLY

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	396,771,385	394,270,337	2,501,048	99.37
2200000 Use of goods and services	554,580,634	529,171,208	25,409,426	95.42
2700000 Social Benefits	67,909,156	54,171,551	13,737,605	79.77
3100000 Acquisition of Non-Financial Assets	20,958,450	19,148,198	1,810,252	91.36
4100000 Acquisition of Financial Assets	140,594,663	-	140,594,663	-
<b>Sub-Total</b>	<b>1,180,814,288</b>	<b>996,761,294</b>	<b>184,052,994</b>	<b>84.41</b>
<b>Development</b>				
Non-Financial Asset	229,058,553	26,200,000	202,858,553	11.44
<b>Sub-Total</b>	<b>229,058,553</b>	<b>26,200,000</b>	<b>202,858,553</b>	<b>11.44</b>
<b>Grand Total</b>	<b>1,409,872,841</b>	<b>1,022,961,294</b>	<b>386,911,547</b>	<b>72.56</b>

### 5.14.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
General Administration and Planning	547,784,466	335,950,616	211,833,850	61.33
Legislative Department	862,088,375	687,010,678	175,077,697	79.69
<b>Grand Total</b>	<b>1,409,872,841</b>	<b>1,022,961,294</b>	<b>386,911,547</b>	<b>72.56</b>

### 5.15 KITUI MUNICIPALITY

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	49,986,873	49,897,163	89,710	99.82
2200000 Use of goods and services	40,769,855	34,786,698	5,983,157	85.32
3100000 Acquisition of Non-Financial Assets	1,799,115	2,198,745	(399,630)	122.21
<b>Sub-Total</b>	<b>92,555,843</b>	<b>86,882,606</b>	<b>5,673,237</b>	<b>93.87</b>
<b>Development</b>				
Non-Financial Asset	99,897,366	84,760,123	15,137,242	84.85
<b>Sub-Total</b>	<b>99,897,366</b>	<b>84,760,123</b>	<b>15,137,242</b>	<b>84.85</b>
<b>Grand Total</b>	<b>192,453,209</b>	<b>171,642,729</b>	<b>20,810,479</b>	<b>89.19</b>

### 5.15.1 Departmental Analysis

Department	Approved Estimates (Net)	Cumulative Expenditure	Variance	% Absorption
Environment, Culture, Recreation and Community Development	25,427,016	22,274,401	3,152,615	87.60
Finance	7,580,839	6,142,096	1,438,743	81.02
General Administration and Planning	54,601,929	53,981,846	620,083	98.86
Planning, Development Control, Transport and Infrastructure	92,715,873	82,385,021	10,330,851	88.86
Trade, Commerce and Industrialisation	12,127,552	6,859,365	5,268,187	56.56
<b>Grand Total</b>	<b>192,453,209</b>	<b>171,642,729</b>	<b>20,810,479</b>	<b>89.19</b>

### 5.16 MWINGI MUNICIPALITY

Description	Approved Estimates	Cumulative Expenditure	Variance	% Absorption
<b>Recurrent</b>				
2100000 Compensation to Employees	27,459,693	29,086,473	(1,626,780)	105.92
2200000 Use of goods and services	26,371,111	25,382,453	988,658	96.25
3100000 Acquisition of Non-Financial Assets	11,289,065	5,838,407	5,450,659	51.72
<b>Sub-Total</b>	<b>65,119,869</b>	<b>60,307,333</b>	<b>4,812,537</b>	<b>92.61</b>
<b>Development</b>				
Non-Financial Asset	32,014,854	31,994,222	20,632	99.94
<b>Sub-Total</b>	<b>32,014,854</b>	<b>31,994,222</b>	<b>20,632</b>	<b>99.94</b>
<b>Grand Total</b>	<b>97,134,723</b>	<b>92,301,555</b>	<b>4,833,169</b>	<b>95.02</b>

### 5.16.1 Departmental Analysis

<b>Department</b>	<b>Approved Estimates (Net)</b>	<b>Cumulative Expenditure</b>	<b>Variance</b>	<b>% Absorption</b>
Environment, Culture, Recreation and Community Development	8,963,363	8,713,550	249,813	97.21
General Administration and Planning	55,590,791	56,872,945	(1,282,154)	102.31
Planning, Development Control, Transport and Infrastructure	32,580,569	26,715,060	5,865,510	82.00
<b>Grand Total</b>	<b>97,134,723</b>	<b>92,301,555</b>	<b>4,833,169</b>	<b>95.02</b>