

COUNTY GOVERNMENT OF KITUI



THE COUNTY TREASURY

FY 2021/22

BUDGET POLICY STATEMENT

Prepared by

COUNTY EXECUTIVE COMMITTEE MEMBER

COUNTY TREASURY

DATED 30TH APRIL 2021

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BUDGET STATEMENT ON THE 2021/2022 FINANCIAL YEAR BUDGET

I. PURPOSE

1. Section 129 of the Public Financial Management Act, 2012, requires the Executive Committee Member for Finance to submit to the Assembly the Budget Estimates and other supporting documents for the budget of the County Government by 30th April of every year. The budget documents to be submitted will include: a *summary of the budget policies*, revenue and expenditure, an explanation on how the budget relates to the fiscal responsibility principles and how it relates to the County Fiscal Strategy Paper.

Underlying Assumption Underpinning the FY 2021/2022 Budget

2. The 2021/2022 Budget Estimates are formulated on the assumption that the projected revenue will perform as estimated in the CFSP. The County budget of Kshs 12,631,775,275 comprised of 10,393,970,413 from equitable share, Kshs 505,225,111 from conditional grants from National Government, Ksh. 982,000,000 from local revenues and a projected revote of Kshs 750,579,751.

Table 1: Resource Envelope for FY 2021/22 Budget

Revenue Source	Proposed Budget Allocation (Kshs)	APPROVED CFSP CEILING	VARIANCE
Equitable share	10,393,970,413	10,393,970,413	0
Grants	505,225,111	505,225,111	0
Own Source Revenue	982,000,000	750,000,000	232,000,000
Projected Revote	750,579,751	750,579,751	0
Total	12,631,775,275	12,399,775,275	232,000,000

The resource envelope table and the comparison of approved CFSP revenues and proposed Budget indicate an increase of own source revenues by Kshs 232,000,000. This was after a careful analysis and evaluation of:

- i. The investment of Kshs 300 Million under the Universal Health care in the Ministry of Health coupled with a further Kshs 191 Million already allocated by the National Government for the same purpose. The combined investment is intended to provide insurance cover for 131,000 households majority of whom are expected to access their medical services within the County with the attendant claims from the NHIF expected to generate not less than Kshs 202 Million. This has therefore increased the revenue streams in health from what had originally been proposed in the CFSP.
- ii. The investment in lands through the creation of a County Registry, implementation of the valuation roll and general streamlining of operations around land ownership and usage in the County will also generate additional revenue of not less than Kshs 30 Million on top of what had originally been proposed under the CFSP.

The conditional grants include:

The Total for County Grants is Kshs 505,225,111 as per the Budget Policy Statement 2021. The County is waiting for the Division of Revenue Bill, 2021 (which gives a breakdown of grants) from the senate to incorporate the same in the final budget estimates.

Table 2: Conditional Grants – FY 2021/22

S/N	Grant	Amount (Kshs.)
1	Compensation for User Fees Forgone	22,499,905
2	Road Maintenance Fuel Levy	140,954,574
3	Grants from World Bank (KDSP)	23,810,945
4	World Bank (Universal Health)	14,548,168
5	World Bank (Agriculture - Rural Growth)	164,606,038
6	HSSP/HSPS - (DANIDA/IDA)	19,564,875
7	Development of Youth Polytechnics	37,568,381
8	Kenya Urban Support Project - World Bank	63,495,854
9	ASDSP	18,176,371
	Subtotal	505,225,111

3. Based on the assumption we have prepared a budget summarized as follows:

Table 3: Summary of Financial Year 2021/2022 Budget Estimates

County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	%
	PE	O&M				
Office of the Governor	162,898,059	608,074,336	770,972,395	1,072,288,964	1,843,261,359	15%
Department of Public Service Management and Administration	315,000,000	206,905,844	521,905,844	12,000,000	533,905,844	4%
Ministry of Agriculture, Water & Irrigation	358,150,986	134,295,554	492,446,540	953,278,038	1,445,724,577	11%
Ministry of Basic Education, ICT & Youth Development	129,230,934	386,540,000	515,770,934	234,799,639	750,570,573	6%
Ministry of Infrastructure, Housing, Transport and Public Works	163,447,366	77,531,056	240,978,422	688,382,821	929,361,243	7%
Ministry of Health & Sanitation	2,377,504,561	1,176,640,278	3,554,144,839	182,427,754	3,736,572,593	30%

County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	%
	PE	O&M				
Ministry of Trade, Cooperatives & Investment	48,000,000	179,548,079	227,548,079	262,053,152	489,601,231	4%
Ministry of Environment, Tourism & Natural Resources	83,097,552	51,021,569	134,119,121	139,065,210	273,184,331	2%
Ministry of Gender, Sports & Culture	40,482,986	43,516,792	83,999,778	103,683,850	187,683,628	1%
The County Treasury	432,621,635	191,915,626	624,537,261	59,109,842	683,647,103	5%
County Public Service Board	17,582,986	13,406,721	30,989,707	-	30,989,707	0.002%
County Assembly Service Board	429,533,592	406,491,880	836,025,472	35,580,443	871,605,915	7%
Kitui Municipality	37,022,336	79,700,000	116,722,336	269,595,834	386,318,170	3%
Mwingi Town Administration	45,416,262	24,265,215	69,681,477	44,926,742	114,608,219	1%
Livestock, Apiculture and Fisheries Development	53,762,852	23,715,580	77,478,432	44,351,636	121,830,068	1%
Lands and Physical Planning	16,558,553	83,488,097	100,046,650	132,864,062	232,910,712	2%
TOTALS	4,710,310,661	3,687,056,626	8,397,367,287	4,234,407,987	12,631,775,275	100%
PERCENTAGES	37	29	66	34	100	

Fiscal Responsibility Principle

- The proposed budget adheres to the fiscal responsibility principle of allocating 30% of the County budget to development which is the requisite minimum. The current Budget has development Budget amounting to Kshs 4,241,407,987 (34%) and recurrent budget of Kshs 8,390,367,287 (66%). The Budget has complied with the 30% minimum development threshold. The Personnel Emoluments (PE) is 37% of the total budget which is slightly above the ceiling of 35%. The county has put in place several measures to bring down the ceiling to the required percentage. These include stopping further recruitments, putting in place strategies to boost local revenue among others.
- In the Fiscal year 2021/2022, the county does not intend to borrow to finance the budget. This is informed by the fact that the debt management strategy, which has now been finalized, is meant to guide the county's borrowing. However, once the guidelines are approved and proper measures have been put in place, the County may in the MTEF period borrow to fund capital projects. Any borrowing by the County will adhere to the borrowing framework agreed at the

Intergovernmental Budget and Economic Consultation Forums (IBEC) and the fiscal responsibility principles of ensuring the borrowed funds finance development projects only.

6. The 2021/2022 Budget estimates have been incorporated and are in line with 2021/22 County Fiscal Strategy Paper and Public views obtained from public hearings and the budget public views received through memorandums by 23rd April, 2021. It is worth noting that the county executive did not carry out physical public participation due to the prevailing covid containment measures but elicited views through memorandum.

II. ANALYSIS OF BUDGET REVOTE

7. The County Estimates a revote of **Kshs 750,579,748** which is pegged on the final disbursement for the month of June which historically has been received in July of the subsequent year leading to unpaid commitments and expenditure at the close of the current Financial Year.
Table 4 below shows a summary of projected revote per spending entity. Most of those funds go to financing the development part of the budget hence the need for a revote in line with Regulation 116 of the PFM.

Table 4: Summary of Projected Revote FY 2021/22

Spending Entity	Budget Estimates FY 2021/22	Estimated Revote	Total Budget Estimates FY 2021/22
Vote 3711: Office of the Governor	1,653,722,395	189,538,964	1,843,261,359
Vote 3712: Department of Public Service Management and Administration	533,905,844	0	533,905,844
Vote 3713: Ministry of Agriculture Water and Irrigation	1,274,912,910	170,811,667	1,445,724,577
Vote 3714: Ministry Of Basic Education, ICT and Youth Development	694,339,315	56,231,258	750,570,573
Vote 3715: Ministry of Infrastructure, Housing, Transport and Public Works	805,239,596	124,121,647	929,361,243
Vote 3716: Ministry of Health and Sanitation	3,696,327,882	40,244,711	3,736,572,593
Vote 3717: Ministry of Trade, Cooperatives and Investments	443,568,079	46,033,152	489,601,231
Vote 3719: Ministry Of Environment, Tourism and Natural Resources	249,619,121	23,565,210	273,184,331
Vote 3720: Ministry Of Gender, Sports & Culture	174,999,778	12,683,850	187,683,628
Vote 3721: The County Treasury	668,348,206	15,298,897	683,647,103
Vote 3722: County Public Service Board	30,989,707	0	30,989,707
Vote 3723: County Assembly Service Board	871,605,915		871,605,915
Vote 3724: Kitui Municipality	334,585,818	51,732,352	386,318,170

Spending Entity	Budget Estimates FY 2021/22	Estimated Revote	Total Budget Estimates FY 2021/22
Vote 3725: Mwingi Town Administration	109,431,477	5,176,742	114,608,219
Vote 3726: Ministry of Livestock, Apiculture and Fisheries Development	112,852,832	8,977,236	121,830,068
Vote 3727: Ministry of Lands and Physical Planning	226,746,650	6,164,062	232,910,712
Total County Budget	11,881,195,527	750,579,748	12,631,775,275

III. KEY HIGHLIGHTS

Office of the Governor

8. Allocation for the Office of the Governor Includes:

- Total allocation of Kshs 1,843,261,359 including Development Kshs 1,072,288,964, Personnel Emoluments Kshs 162,898,059 and Operations and Maintenance Kshs 608,074,336.
- Estimated revote of Kshs 189,538,964
- Residential Buildings-Governor's and Deputy Governor's residence Kshs 40,000,000
- Non-Residential Buildings- Partitioning/Completion of the Governor's Administration Block Kshs 7,000,000
- Community Level Infrastructure Development Programme (CLIDP) Kshs 850 Million
- Pro-Poor Kshs 45,000,000
- Legal Dues/ Fees, Arbitration and Compensation Payments Kshs 150,000,000
- Advertising, Awareness and Publicity Campaigns: county branding - logo, county colors and printing letterheads and civic education) Kshs 20,000,000.
- Insurance Costs for all county staff and motor vehicles from all ministries Kshs 154,000,000 (Comprising 1M for building insurance, 33 Million for Motor Vehicle Insurance and 120M for staff medical insurance)
- Other operating expenses Kshs 92,400,000 for Council of Governors Activities, Intergovernmental, intra and intercounty activities.
- Purchase of Motor vehicles Kshs 20,000,000.

Department of Public Service Management and Administration

9. Allocation for the department Includes:

- Total allocation of Kshs 533,905,844 including Development Kshs 12,000,000, Personnel Emoluments Kshs 315,000,000 and Operations and Maintenance Kshs 206,905,844
 - Pending bills for Ward Offices Kshs 12,000,000
 - Civic Education Kshs 60,000,000.
 - Other Operating Expenses - (Stipend allowances for Administrators) Kshs 21,000,000.
 - Purchase of Motor Cycles for WAs Kshs 7,000,000.

Ministry of Agriculture, Water & Irrigation

10. Allocation for the Ministry Includes:

- Total allocation of Kshs 1,445,724,577 including Development Kshs 953,278,038, Personnel Emoluments Kshs 358,150,986 and Operations and Maintenance Kshs 134,295,554.
- Estimated revote of Kshs 170,811,667
- Agricultural Materials, Supplies and Small Equipment (pesticides for ndengu) Kshs 6,133,961

- Certified Crop Seeds Kshs 90,000,000
- Research, Feasibility Studies (seed distribution and supervision) Kshs 2,000,000
- World Bank funded (NARIGP Project) Kshs 164,606,038
- Purchase of Agricultural Machinery and Equipment (10 ploughs) Kshs 6,000,000
- Capital grants-Sweden funded (ASDSP Programme) Kshs 18,176,371
- Agricultural Materials, Supplies and Small Equipment (support ATC seedling nursery for fruit trees-10,000 banana plantlets, assorted vegetable & fruit-tree seeds,polybag tubes) Kshs 2,050,000
- Other Infrastructure and Civil Works (Construction of Poultry House) Kshs 2,000,000
- Purchase of Animals and Breeding Stock (purchase of 5 incalf heifers) Kshs 1,500,000
- Agricultural Materials, Supplies and Small Equipment (food processing materials & procesing accessories) Kshs 13,000,000
- Other Infrastructure and Civil Works (construction of phase II of Agro-porocessing plant) Kshs 9,000,000
- Other Infrastructure and Civil Works (Construction of Water Structures) Kshs 360,000,000
- Pre-feasibility, Feasibility and Appraisal Studies Kshs 2,000,000
- Other Infrastructure and Civil Works (Repairs & Rehabilitations) Kshs 6,000,000
- Installation of Solar Power Plant for Masinga Treatment Works Kshs 50,000,000
- Subsidies to Non- Financial (other budget - KITWASCO/ KIMWASCO) Kshs 50,000,000

Ministry of Basic Education, ICT & Youth Development

11. Allocation for the Ministry Includes:

- Total allocation of Kshs 750,570,573 including Development Kshs 234,799,639, Personnel Emoluments Kshs 129,230,934 and Operations and Maintenance Kshs 386,540,000.
- Estimated revote of Kshs 56,231,258
- Non-residential buildings -Construction of ECDE Classrooms Kshs 48,000,000
- Purchase of Furniture and fittings ECDEKshs 4,500,000
- Purchase of educational aids and related equipment (ECDE new Curriculum Teaching and learning materials) Kshs 10,000,000
- Transfers (Matching figure Conditional grant) Kshs 37,568,380
- Development of youth Polytechnics - Conditional Grants matching fund Kshs 35,500,000
- Training Expenses - Youths skills training Kshs 42,000,000
- Feasibility Studies - (Education Quality Standards improvement Programme) Kshs 1,000,000

Ministry of Infrastructure, Housing & Urban Development

12. Allocation for the Ministry Includes:

- Total allocation of Kshs 929,361,243 including Development Kshs 688,382,821, Personnel Emoluments Kshs 163,447,366 and Operations and Maintenance Kshs 77,531,056.
- Estimated revote of Kshs 124,121,647

- Refurbishment of Residential Buildings Kshs 2,000,000
- Refurbishment of Non Residential Buildings Kshs 1,500,000
- Other Infrastructure and Civil Works (County Housing Programme - Low cost modern housing to public servants) Kshs 2,000,000
- Pre-feasibility, Feasibility and Appraisal Studies (Formulation of a policy on alternative building technology within the county Kshs 2,000,000
- Valuation Roll Kshs 7,500,000
- Urban development projects Kshs 6,000,000
- Non-Residential Buildings/ Construction of Offices & Store yards at Sub-county Offices (Renovation of LIHUD Offices County wide - HQs, Kitui central, Mwingi Central, Mwingi North, Kitui South) Kshs 3,000,000
- Other Infrastructure and Civil Works (Completion of Kyusiani and Kauwi LIHUD field offices) Kshs 5,000,000
- Feasibility Study, Engineering and Designs (to promote designs, strength of materials and software for production of quality structures) Kshs 2,500,000
- Lease/ Hire of Tractors and other Equipment Kshs 76,000,000
- Purchase of Lab Equipment and tools Kshs 1,500,000
- Major Roads (In house road grading of 70 km per ward, emergency and road works, support to dustless town programme) Kshs 35,000,000
- Major roads (EACC projects Pending bills) Kshs 145,306,600
- Major Roads (Roads construction works and maintenance of box culverts, drifts, gravelling, concrete slabs, gabions) Kshs 35,000,000
- Access Roads (Fuel, maintenance of plant and machinery and culverts) Kshs 55,000,000
- Construction of Roads - Others (RMFL fund) Kshs 140,954,574
- Purchase of Workshop Tools, Spares and Small Equipment Kshs 4,000,000
- Purchase of various Mechanical and other relevant equipment Kshs 40,000,000

Ministry of Health & Sanitation

13. Allocation for the Ministry Includes:

- Total allocation of Kshs 3,736,572,593 including Development Kshs 182,427,754, Salaries for Permanent Staff Kshs 2,377,504,561 and Operations and Maintenance Kshs 1,176,640,278, Casual Labour - Stipends for Community Health Volunteers Kshs 10,424,000 and Locum for COVID 19 Isolation centres at KCRH and Mwingi Hospital Kshs 16,800,000 and Locums for nurses, RCOs and doctors at health facilities Kshs 13,505,000
- Estimated revote of Kshs 40,244,711
- Hospital FIF /cost sharing refunds for the 14 county hospitals Kshs 322,746,000.
- Universal Health Care (UHC): Cost sharing of Insurance costs for 100,000 households through NHIF @ Cost of Kshs.3,000 per household Kshs 300,000,000.
- Pharmaceutical Medical Items Kshs 182.5 Million

- Dressings and Other Non-Pharmaceutical Medical Items Kshs 182.5 Million
- Purchase of 2 small ambulances Kshs 10,000,000
- World Bank loan for Transforming health Systems for universal Care Project (Universal health) Kshs 14,548,168
- Universal Healthcare in Devolved System Program from DANIDA – Development Kshs 19,564,875
- Non-Residential Buildings Kshs 46,000,000
- Purchase of Medical and Dental Equipment Kshs 11,070,000
- Purchase of Specialized Plant. - (Purchase of Oxygen Plant) Kshs 14,000,000
- Other Infrastructure and Civil Works Kshs 20,000,000
- Operationalization of Kitui Pharma Industries (raw materials, water purifier, etc.) Kshs 17,000,000

Ministry of Trade, Cooperatives & Investment

14. Allocation for the Ministry Includes:

- Total allocation of Kshs 489,601,231 including Development Kshs 262,053,152, Salaries for Permanent Staff Kshs 48,000,000 and Operations and Maintenance Kshs 179,548,079.
- Estimated revote of Kshs 46,033,152
- Hire of equipment, Plant and Machinery (Excavators, rollers, tippers, drillers, blaster services) Kshs 40,000,000
- Other Infrastructure and Civil Works (Development of Mwingi and Mutomo KICOTECs) Kshs 50,000,000
- Purchase of 2 Trucks - *For Mwingi and Kitui* Kshs 15,000,000
- Market Development infrastructure (sheds, toilets, floodlights) Kshs 30,000,000
- Rehabilitation of Kitui and Mwingi Slaughter Houses) Kshs 15,000,000
- Fencing of Markets Remaining wards Kshs 30,000,000
- Purchase of Specialized Plant (Furniture, leatherworks & stone crusher) Kshs 30,000,000
- Acquisition of Land - Other (Leasing of stone Crusher land and resettlement of families affected with stone crusher) Kshs 21,020,000
- Advertising and publicity campaigns and branding of County Products Kshs 60,000,000

Ministry of Environment, Tourism & Natural Resources

15. Allocation for the Ministry Includes:

- Total allocation of Kshs 273,184,331 including Development Kshs 146,065,210, Salaries for Permanent Staff Kshs 83,097,552 and Operations and Maintenance Kshs 44,021,569.
- Estimated revote of Kshs 23,565,210
- Other Infrastructure and Civil Works (Street lighting in upcoming market centres - Installation, maintenance and other environmental infrastructural projects) Kshs 80,000,000

- Kalundu Eco Park- Complete and operationalize: Swimming pool, Boats Ramp, canoes, boat riding competition, Zipline and construction of a floating restaurant) Kshs 8,000,000
- Establishment of Mutomo Reptile Park: complete Construction of snake houses and operationalization of Mutomo reptile park) Kshs 3,000,000
- Other Infrastructure and Civil Works (South Kitui National Reserve Cutline) Kshs 15,000,000
- Training Expenses: Artisanal Miners, Community training and capacity building) Kshs 2,000,000
- Hire of Equipment, Plant and Machinery Kshs 7,000,000
- Purchase of laboratory equipment (Simple testing equipment for gemology laboratory) Kshs 7,500,000
- Refined fuel for mining Kshs 5,000,000 activities

Ministry of Gender, Sports & Culture

16. Allocation for the Ministry Includes:

- Total allocation of Kshs 192,683,628 including Development Kshs 108,683,850, Salaries for Permanent Staff Kshs 40,482,986 and Operations and Maintenance Kshs 43,516,792.
- Estimated revote of Kshs 12,683,850
- Specialized Materials -Sport talent Development (Develop - KICOSCA, CASA, KYISA) Kshs 5,000,000
- Specialized Materials -Sport talent Development (Sports Equipment) Kshs 5,000,000
- Rehabilitation of Kitui, Mwingi (Musila) and Migwani Stadiums Kshs 45,000,000
- County Tournaments in Football, Volleyball, Athletics and Basketball from Village level culminating into Governors Road Raceland Governor's Cup Kshs 10,000,000
- Support operationalization and equipping of Tseikuru Heritage Centre Kshs 6,000,000
- Development of Tseikuru Heritage Centre Kshs 5,000,000
- Other Infrastructure and Civil Works - Pending bills Kshs 15,000,000

The County Treasury

17. Allocation for the Ministry Includes:-

- Total allocation of Kshs 683,647,103 including Development Kshs 59,109,842, Salaries for Permanent Staff Kshs 432,621,635 (including KRA arrears Kshs 120 Million, Superannuation Scheme for Devolved Staff Kshs 35.211 Million and Salary Arrears for staff from the defunct local authorities Kshs 34.788 Million) and Operations and Maintenance Kshs 191,915,626.
- Estimated revote of Kshs 15,298,897
- Emergency Fund Kshs 20,000,000
- Training Expenses-KDSP Kshs 23,810,945

Kitui Municipality

18. Allocation for the Municipality includes:-

- Total allocation of Kshs 381,318,170 including Development Kshs 264,595,834, Salaries for Permanent Staff Kshs 37,022,336 and Operations and Maintenance Kshs 79,700,000.
- Estimated revote of Kshs 51,732,352
- Non-Residential Buildings - Construction of perimeter wall around Kitui Municipality Office Block for security of the municipality vehicles and machinery Kshs 5,000,000
- Refurbishment of Non-Residential Buildings-Renovation of Kitui Municipality office – Block B Kshs 3,000,000
- Formulation and facilitation of approval and adoption of Municipal policies on: Offsite parking, Container shop placement ,Standardization and regulation of outdoor advertisements , Disaster preparedness and management Kshs 4,000,000
- Formulation and facilitation of approval and adoption of Municipal by-laws on: Designated parking, Solid waste, Public transport, livestock movement Kshs 4,000,000
- Mapping and recording of all businesses within Kitui municipality to develop data base for Revenue streams Kshs 2,000,000
- Purchase of Motorcycles-Purchase of Five (5) revenue collection motor bikes to ease mobility Kshs 1,750,000
- Installation of 8 No. monolith outdoor pylons at strategic entrance and exit points in Kitui town and other shopping Centres within Municipality Kshs 7,000,000
- Construction of Buildings -Construction of cess points at Kunda Kindu Barrier(Entry &Exit) Kshs 2,500,000
- Completion and updating of Kitui Municipality Integrated Sustainable Development plan (ISDUP) & Review and completion of digital mapping, spatial plan and capital investment plan Kshs 6,000,000
- Parcel and property inventory organization for Kitui Municipality Kshs 3,000,000
- Overhaul of Other Infrastructure and Civil Works-Street addressing system for Kitui Municipality for Sustainable traffic management Kshs 5,000,000
- Urban regeneration and renewal plan for Mjini estate Kshs 3,000,000
- Major Roads-Gravelling of roads network in Kitui town and other centres within Kitui Municipality-20KM – KUSP Kshs 40,000,000
- Marking of parking slots Kshs 5,000,000
- Other Infrastructure and Civil Works-Road opening and improvement and other infrastructure and Construction of Kithomboani modern market (multi-year) – KUSP Kshs 13,495,854
- Other Infrastructure and Civil Works-Road opening and improvement and other infrastructure and Construction of Kithomboani modern market (multi-year) - matching fund Kshs 75,000,000

- Other Infrastructure and Civil Works-Walk ways, culverts, Storm water drains in other towns within Kitui Municipality-9KM – KUSP Kshs 10,000,000
- Construction of Buildings - Others-Construction of 40No.modern stalls opp.coop bank, shoe shiners area at Buspark,Mama Ngina street at Kwa Miraa area and along Hospital wall opp. Kunda Kindu Kshs 5,000,000
- Fabricate and install 125 metallic litter bins at the Kitui Town CBD ,other centres within Municipality and along the main roads Kshs 3,917,627
- Purchase of Specialised Plant -Fabrication of 10 waste bins (bulk bins) (@ Ksh. 400,000) for Kitui Town and other wards within Kitui Municipality Kshs 2,000,000
- Purchase of Workshop Tools, Spares and Small Equipment-Tools and equipment for general cleaning, slaughter house and Spare parts for Street/security lights maintenance kit Kshs 2,500,000.
- Overhaul of Other Infrastructure and Civil Works-Landscaping and town greening along the main roads in Kitui Town Kshs 6,200,000
- Overhaul of Other Infrastructure and Civil Works- Installation of gate and reinforcement of fence at the county cemetery in Kitui Town and general maintenance of the county stadium Kshs 3,500,000

Mwingi Town Administration

19. Allocation for the Mwingi Town Administration includes:

- Total allocation of Kshs 114,608,219 including Development Kshs 44,926,742, Salaries for Permanent Staff Kshs 45,416,262 and Operations and Maintenance Kshs 24,265,215.
- Estimated revote of Kshs 5,176,742
- Purchase of Motor Vehicles (1 No. Skip loader with 4 No. skippers) Kshs 10,000,000
- Other infrastructure and civil works (Installation of solar ‘Mulika Mwizi’ at kibiriti apartments) Kshs 3,600,000
- Other infrastructure and Civil Works (Repair and reinstallation of 3 No. gates at Marikiti Market and rump) Kshs 750,000
- Preparation of GIS based urban integrated strategic development plan for Mwingi urban area and its environs Kshs 5,000,000
- Other Infrast./Civil Works (cabro car park paving works at Equity bank to Target area) Kshs 4,000,000
- Other Infrast./Civil Works (cabro paving works for connectivity road: from Kongo Metal to Garissa Road Junction) Kshs 5,000,000
- Other Infra./Civil Works (Beautification of the Town) Kshs 4,000,000
- Other Infrast./ Civil Works (Redesigning and construction of storm water drainage at Equity bank) Kshs 2,000,000
- Other Infrast./Civil Works (Grading, Gravelling, Culverts & bush clearing on Country Side to Human Rights road) Kshs 1,400,000

- Other Infrast./Civil Works (Road Upgrading to Bitumen Standard - 500M: Musila Gardens to Satson Petrol Station) Kshs 4,000,000

Ministry of Livestock, Apiculture and Fisheries Development

20. Allocation for the Ministry Includes:

- Total allocation of Kshs 121,830,068 including Development Kshs 44,351,636, Salaries for Permanent Staff Kshs 53,762,852 and Operations and Maintenance Kshs 23,715,580.
- Estimated revote of Kshs 8,977,236
- Agricultural Materials, Supplies and Small Equipment (provision of modern beehives for apiary establishment and honey extraction equipment) Kshs 8,614,000
- Purchase of Agricultural Machinery and Equipment (Support MWIWA dairy group with Milk processing machines - pasteurizer and fermenter) Kshs 3,000,400
- Purchase of Animals and Breeding Stock (provision improved cocks for breeding, Galla & dairy bucks and semen and Hormones for AI) Kshs 13,760,000
- Purchase of Vaccines and Sera Kshs 7,000,000
- Other Infrastructure and Civil Works (construction of livestock office block at the county HQ) Kshs 3,000,000

Ministry of Lands and Physical Planning

21. Allocation for the Ministry Includes:

- Total allocation of Kshs 232,910,712 including Development Kshs 132,864,062, Salaries for Permanent Staff Kshs 16,558,553 and Operations and Maintenance Kshs 83,488,097.
- Estimated revote of Kshs 6,164,062
- Feasibility digitization of planning records and Geo-referencing of county government facilities Kshs 2,200,000
- develop geo-reference market layout(ten in each of 40 wards) Kshs 27,000,000
- Physical land use plans for Kyuso, Mutomo , Mbitini, Ikutha, Ngutani, Mutuni, Tulia, Kwa Vonza, Nguni, Endau, Tseikuru urban centres Kshs 23,000,000
- Preparation of land use bills and policies Kshs 2,000,000
- Land clinics and policy for eight sub counties Kshs 3,000,000
- GIS lab Kshs 2,000,000
- Support for land rates Kshs 15,500,000
- Support for land titling) Kshs 30,000,000
- Establishment of County Land Registry Kshs 10,000,000
- Motor Vehicle - vehicles for Ministry Kshs 12,000,000

IV. LINGAGE BETWEEN THE APPROVED CFSP AND THE BUDGET

22. This section shows how the County Executive has addressed the CFSP recommendations as per the resolutions of the County Assembly in line with Section 129(1) (b) of the PFMA, 2012. The assembly approved various projects per spending entity. In the preparation of the budget and upon considerations of emerging issues, there were certain departures from the approved CFSP. The departures have been addressed by a way of Budget Statement in line with Section 130 of the PFM Act, 2012. The table 5 below summarizes such departures by ministry/ department.

Table 5: Comparison between FY 2021/22 Approved Ceilings (CFSP) and Budget Estimates

County Ministry	Total Budget Estimates FY 2021-22 (A)	% of Total Budget	Approved CFSP Ceilings (B)	Variance (D =A-B)	Percent (%) variation from CFSP Ceilings ((D/Total of B) %)
Office of the Governor	1,843,261,359	14.59	1,802,919,322	40,342,037	0.34
Department of Public Service Management and Administration	533,905,844	4.23	370,421,766	163,484,078	1.39
Ministry of Agriculture, Water & Irrigation	1,445,724,577	11.45	1,215,568,631	230,155,946	1.96
Ministry of Basic Education, ICT & Youth Development	750,570,573	5.94	768,274,280	(17,703,707)	(0.15)
Ministry of Infrastructure, Housing, Transport and Public Works	929,361,243	7.36	1,091,866,662	(162,505,419)	(1.38)
Ministry of Health & Sanitation	3,736,572,593	29.58	3,345,350,576	391,222,017	3.33
Ministry of Trade, Cooperatives & Investment	489,601,231	3.88	516,568,079	(26,966,848)	(0.23)
Ministry of Environment, Tourism & Natural Resources	273,184,331	2.16	172,688,406	100,495,925	0.86
Ministry of Gender, Sports & Culture	187,683,628	1.49	247,000,000	(59,316,372)	(0.50)
The County Treasury	683,647,103	5.41	522,967,917	160,679,186	1.37
County Public Service Board	30,989,707	0.25	30,989,707	0	0.00
County Assembly Service Board	871,605,915	6.90	871,605,915	0	0.00
Kitui Municipality	386,318,170	3.06	382,416,136	3,902,034	0.03
Mwingi Town Administration	114,608,219	0.91	92,431,477	22,176,742	0.19

County Ministry	Total Budget Estimates FY 2021-22 (A)	% of Total Budget	Approved CFSP Ceilings (B)	Variance (D =A-B)	Percent (%) variation from CFSP Ceilings ((D/Total of B) %)
Livestock, Apiculture and Fisheries Development	121,830,068	0.96	122,180,000	(349,932)	(0.00)
Lands and Physical Planning	232,910,712	1.84	195,946,650	36,964,062	0.31
TOTALS	12,631,775,275	100.00	11,749,195,524	882,579,751	7.51

V. CONCLUSION

- i. The County Executive requests the County Assembly to note the contents of this Statement and approve the 2021/2022 Budget Estimates in good time. In addition, Section 127 (1) states that not later than 15th June of each year, every county government shall prepare an annual cash flow projections for the county for the next financial year, and submit the cash flow projection to the Controller of Budget with copies to the Intergovernmental Budget and Economic Council and the National Treasury. We therefore allow for any negotiations between now and the Month of May to have the Budget ready by mid-June.

Thank you a lot.

Ben Katungi
County Executive Committee Member
County Treasury