

**COUNTY GOVERNMENT OF KITUI**



**COUNTY TREASURY**

**BUDGET IMPLEMENTATION REPORT (BIR)**

**FY 2021/ 2022**

**Prepared:-**

**Department of Economic Planning**

**County Treasury**

**County Mission and Vision**

### ***County Vision***

To be an empowered and prosperous County with a high quality of life

### ***County Mission***

To provide transformative county services through effective utilization of our land, capital, labour, technology and leadership for sustainable socio-economic development

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## **FOREWORD**

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

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

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

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

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

**Ben Katungi**  
**CECM, County Treasury**  
**County Government of Kitui.**

## **ACKNOWLEDGEMENT**

The preparation of the Annual Budget Implementation Report 2021/22 was informed by reports and data, from all County sectors, departments and agencies of the County Government of Kitui.

First and foremost, I acknowledge the valuable leadership and support of Her Excellency the Governor Charity Ngilu. I wish to extend my gratitude to Mr. Ben Katungi, County Executive Committee Member for County Treasury for his technical support extended in the preparation of this paper. I appreciate the role played by all Chief Officers for leading their staff in providing the necessary information towards preparation of this document.

I would like to pay special thanks to the officers working under Economic Planning department under the leadership of Assistant Directors, Alex Muthyoi & Victor Mwangu and the entire team of county economists including Daniel Mbathi, Boniface Muli, Faith Munah, Charles Mulatia, Nicholas Koome Geoffrey Gisaina and Doris Kanini who helped put this document together. The team put tireless quality time in production of this document.

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

**Paul Kimwele**

**Ag. Chief Officer – Budgets and Economic Planning**

## 1.0 INTRODUCTION

This Budget Implementation Report is prepared in conformity with Section 166 of the Public Finance Management Act, 2012's requirement that counties report on the implementation progress of their budgets. It covers the Financial year 2021/2022.

The report presents revenue and expenditure performance by the County. Revenue is disaggregated by source while expenditure is analyzed by economic classification. It also highlights the County government's activities for the period under review and seeks to objectively review budget implementation in the county by highlighting performance of revenues, transfers received from the National Government and actual expenditure. Key issues that affect budget implementation during the financial year are identified and appropriate recommendations made on how the issues can be addressed to enhance efficiency and effectiveness in budget execution.

## 2.0 FINANCIAL ANALYSIS OF COUNTY BUDGET IMPLEMENTATION

The County had a budget of Kshs **12,468,742,562** which consisted of Kshs. **8,325,309,352** (67%) for recurrent expenditure and Kshs **4,143,433,209** (33%) for development expenditure.

### 2.1 Budget Components

Table 1 shows the various components of the budget

*Table 1: Budget Components FY 2021/22*

SOURCE	AMOUNT	% OF TOTAL BUDGET
Balance b/f from FY 2020/2021	307,704,982	2.47
National Equitable Share	10,393,970,413	83.36
Local Revenue Sources	800,000,000	6.42
Grants	967,067,167	7.76
<b>TOTAL</b>	<b>12,468,742,562</b>	<b>100</b>

### 2.2 Breakdown of Grants

Source	Amount budgeted	Receipt in fy 2021/22	Percentage Receipt	Deficit
Road Maintenance Fuel Levy	59,987,264	-	-	(59,987,264)
Grants from World Bank (KDSP)	154,728,163	-	-	(154,728,163)
World Bank (Universal Health)	23,968,638	14,160,397	59	(9,808,241)
World Bank (Agriculture - Rural Growth)	386,418,118	150,349,620	39	(236,068,499)
World Bank (Emergency Locust Response Project (ELRP))	67,726,570	14,076,914	21	(53,649,656)
HSSP/HSPS - (DANIDA/IDA)	20,861,871	9,782,438	47	(11,079,433)
UNFPA (9th Country Programme Implementation)	7,386,704	-	-	(7,386,704)
Development of Youth Polytechnics	362,908	-	-	(362,908)
Kenya Urban Support Project - World Bank	92,075,267	-	-	(92,075,267)
Kenya Urban Support Project (UIG)- World Bank	6,195,861	-	-	(6,195,861)
ASDSP	58,098,817	16,926,637	25	(43,672,180)
GoK Conditional Grant - Covid Fund	89,256,986	-	-	(89,256,986)
<b>TOTAL</b>	<b>967,067,167</b>	<b>205,296,006</b>	<b>21</b>	<b>(761,771,161)</b>

The County received only 21% of the budgeted grants, most of which were released in the month of July. This rendered expenditure on them barely possible and had to be carried forward to the forthcoming Financial Year.

### 2.3 Transfers from the National Government

For the period under review, the County received Kshs. 9,562,452,779.00 as the national equitable share which is 92% of the budgeted equitable share and 76.69% of the total budgeted amount for the year. The disbursements are shown in table 2.

**Table 2: Transfers from the National Government FY 2021/22**

Month	Date of Release	Amount Received
July	25-Aug-21	831,517,633.00
August	9-Dec-21	831,517,633.00
September	26-Jan-22	831,517,633.00
October	26-Apr-22	831,517,633.00
November	23-Sep-21	883,487,485.00
December	19-Oct-21	883,487,485.00
January	24-Dec-21	883,487,485.00
February	28-Feb-22	883,487,485.00
march	5-Apr-22	883,487,485.00
April	17-Jun-22	883,487,485.00
may	3-Jun-22	935,457,337.00
June		0.00
<b>TOTAL</b>		<b>9,562,452,779.00</b>

The financial year has been characterized by delayed remittance of exchequer funds. The funds for the month of June were not disbursed.

### 2.4 Locally Generated Revenue

The County Government targeted to collect Kshs 800,000,000.00 from local sources during the period. However, the actual collection was Kshs 361,271,342.00 which translates to 45.16% of the targeted collection for the period.

Revenue collection performance is shown in tables 3 and 4.

**Table 3: Revenue performance by ministries FY 2021/22**

Ministry	Annual Target	Annual Realization	% Realization	Revenue Deficit
Public Service Management and Administration	31,670,000	9,128,100	28.82	(22,541,900)
Agriculture water and Irrigation	31,556,029	3,867,163	12.25	(27,688,866)
Basic Education, ICT and Youth Development	30,788,000	6,030,092	19.59	(24,757,908)



Ministry	Annual Target	Annual Realization	% Realization	Revenue Deficit
Infrastructure, Housing, Transport and Public works	7,294,000	3,468,925	47.56	(3,825,075)
Health and Sanitation	358,353,582	188,550,071	52.62	(169,803,511)
Trade, Cooperatives and Investments	48,597,823	3,963,257	8.16	(44,634,566)
Environment Tourism & Natural Resources	19,300,000	1,823,310	9.45	(17,476,690)
Gender, Sports and Culture	1,300,000	72,000	5.54	(1,228,000)
County Treasury	84,505,000	64,270,545	76.06	(20,234,455)
Kitui Municipality	39,639,566	35,805,225	90.33	(3,834,341)
Mwingi Town	24,210,000	21,707,796	89.66	(2,502,204)
Lands and physical Planning	114,675,000	21,104,722	18.40	(93,570,278)
Livestock, Apiculture and Fisheries Development	8,111,000	1,480,136	18.25	(6,630,864)
<b>TOTAL</b>	<b>800,000,000</b>	<b>361,271,342</b>	<b>45.16</b>	<b>(438,728,658)</b>

The county only attained 45.16% revenue collection in the period. Failure to attain revenue target leaves a deficit in the budget which deters the payment of suppliers and contractors, leading to a buildup of pending bills.

## 2.5 FY 2021/2022 Expenditure Summary by Entity

During the period under review, the County spent a total of Kshs. 10,316,443,919.00. Out of this amount, Kshs. 7,588,389,486.00 (73.56%) went to finance recurrent activities while Kshs. 2,728,054,433.00 (26.44%) financed development.

Under recurrent expenditure, Kshs. 4,992,693,460.00 was spent on Personnel Emoluments while Kshs. 2,595,696,026.00 was spent on operations and maintenance.

**Table 4: Absorption rates per ministry FY 2021/22**

During this period, the County Ministries spent as follows vis a vis their budget estimates.

County Ministry	Total Budget Estimates	Actual Expenditure in the year	Absorption Rate (%)
Office of the Governor	1,637,223,828	1,154,553,804	70.52
Public Service Management and Administration	531,405,844	479,929,301	90.31
Agriculture water and Irrigation	1,497,361,553	1,085,085,438	72.47
Basic Education, ICT, & Youth Development	747,129,694	636,669,808	85.22
Infrastructure, Housing, Transport and Public works	1,025,068,809	925,492,269	90.29
Health and Sanitation	3,523,135,357	3,282,582,079	93.17
Trade, Cooperatives and Investments	502,695,776	426,813,741	84.90
Environment Tourism & Natural Resources	249,423,655	211,222,246	84.68
Gender, Sports and Culture	183,889,819	93,638,524	50.92
The County Treasury	763,573,825	592,278,034	77.57
County Public Service Board	55,314,766	46,830,191	84.66
County Assembly	1,061,357,431	918,892,992	86.58
Kitui Municipality	302,828,596	234,667,313	77.49
Mwingi Town Administration	116,034,126	63,481,220	54.71

County Ministry	Total Budget Estimates	Actual Expenditure in the year	Absorption Rate (%)
Livestock, Apiculture and Fisheries Development	127,852,832	92,823,742	72.60
Lands and physical Planning	144,446,650	71,483,217	49.49
<b>TOTAL</b>	<b>12,468,742,561</b>	<b>10,316,443,919</b>	<b>82.74</b>

Expenditure during the period is analyzed in tables 6(a) and 6(b).

**Table 5(a): Recurrent Expenditure in the period**

County Ministry	Total Recurrent Estimates	Actual Expenditure in the year	Absorption Rate (%)
Office of the Governor	572,559,381	494,049,294	86.29
Public Service Management and Administration	529,938,504	478,851,281	90.36
Agriculture water and Irrigation	477,500,277	433,080,625	90.70
Basic Education, ICT, & Youth Development	554,518,765	522,571,892	94.24
Infrastructure, Housing, Transport and Public works	283,698,575	251,590,656	88.68
Health and Sanitation	3,376,363,745	3,178,572,464	94.14
Trade, Cooperatives and Investments	269,780,131	227,347,611	84.27
Environment Tourism & Natural Resources	153,045,279	126,894,432	82.91
Gender, Sports and Culture	101,806,570	66,693,687	65.51
The County Treasury	608,845,661	579,344,652	95.15
County Public Service Board	55,314,766	46,830,191	84.66
County Assembly	989,600,070	918,892,992	92.85
Kitui Municipality	117,722,336	86,677,730	73.63
Mwingi Town Administration	73,341,477	53,519,473	72.97
Livestock, Apiculture and Fisheries Development	78,436,712	69,353,166	88.42
Lands and physical Planning	84,761,650	54,119,340	63.85
<b>TOTAL</b>	<b>8,327,233,899</b>	<b>7,588,389,486</b>	<b>91.13</b>

**Table 6(b): Development Expenditure in the period**

County Ministry	Development Estimates	Actual Expenditure in the period	Absorption Rate (%)
Office of the Governor	1,064,664,447	660,504,510	62.04
Public Service Management and Administration	1,467,340	1,078,020	73.47
Agriculture water and Irrigation	1,019,861,277	652,004,813	63.93
Basic Education, ICT, & Youth Development	192,610,929	114,097,916	59.24
Infrastructure, Housing, Transport and Public works	741,370,234	673,901,613	90.90
Health and Sanitation	146,771,612	104,009,615	70.86
Trade, Cooperatives and Investments	232,915,645	199,466,130	85.64
Environment Tourism & Natural Resources	96,378,376	84,327,814	87.50
Gender, Sports and Culture	82,083,248	26,944,837	32.83
The County Treasury	154,728,164	12,933,382	8.36
County Public Service Board	0	0	0.00
County Assembly	71,757,361	0	0.00
Kitui Municipality	185,106,260	147,989,583	79.95
Mwingi Town Administration	42,692,649	9,961,747	23.33
Livestock, Apiculture and Fisheries Development	49,416,120	23,470,576	47.50

County Ministry	Development Estimates	Actual Expenditure in the period	Absorption Rate (%)
Lands and physical Planning	59,685,000	17,363,877	29.09
<b>TOTAL</b>	<b>4,141,508,662</b>	<b>2,728,054,433</b>	<b>65.87</b>

**Table 6: Annual Expenditure by Entity FY 2021/221**

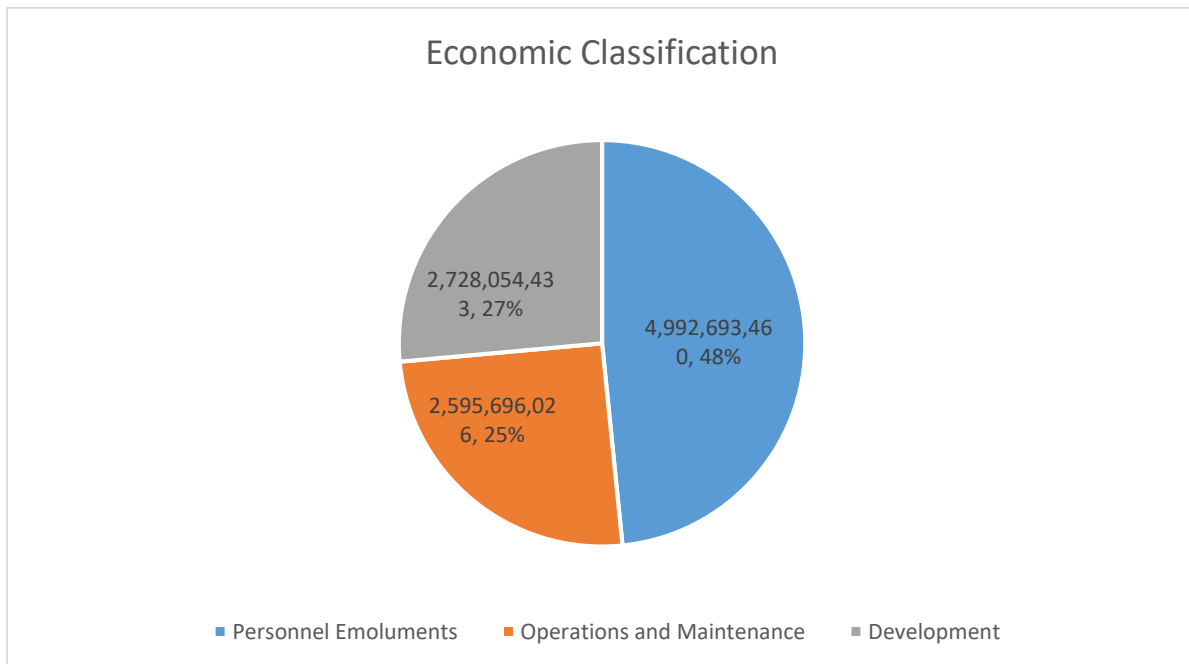
Spending Entity	Personnel Emoluments	%(P E/Tot al)	Operations and Maintenance	% OM/ Total	Development	% Dev/ Total	Grand Total
Office of the Governor	105,987,281	9.18	388,062,013	33.61	660,504,510	57.21	1,154,553,804
Public Service Management and Administration	324,735,916	67.66	154,115,365	32.11	1,078,020	0.22	479,929,301
Agriculture water and Irrigation	361,313,768	33.30	71,766,857	6.61	652,004,813	60.09	1,085,085,438
Basic Education, ICT, & Youth Development	453,621,400	71.25	68,950,492	10.83	114,097,916	17.92	636,669,808
Infrastructure, Housing, Transport and Public works	164,704,490	17.80	86,886,166	9.39	673,901,613	72.82	925,492,269
Health and Sanitation	2,410,015,651	73.42	768,556,813	23.41	104,009,615	3.17	3,282,582,079
Trade, Cooperatives and Investments	53,180,551	12.46	174,167,060	40.81	199,466,130	46.73	426,813,741
Environment Tourism & Natural Resources	84,413,466	39.96	42,480,966	20.11	84,327,814	39.92	211,222,246
Gender, Sports and Culture	35,026,640	37.41	31,667,047	33.82	26,944,837	28.78	93,638,524
The County Treasury	449,714,868	75.93	129,629,784	21.89	12,933,382	2.18	592,278,034
County Public Service Board	31,030,858	66.26	15,799,333	33.74	-	-	46,830,191
County Assembly	383,388,023	41.72	535,504,969	58.28	-	-	918,892,992
Kitui Municipality	47,641,094	20.30	39,036,636	16.63	147,989,583	63.06	234,667,313
Mwingi Town Administration	30,786,150	48.50	22,733,323	35.81	9,961,747	15.69	63,481,220
Livestock, Apiculture and Fisheries Development	53,513,432	57.65	15,839,734	17.06	23,470,576	25.29	92,823,742
Lands and physical Planning	3,619,872	5.06	50,499,468	70.65	17,363,877	24.29	71,483,217
<b>Total</b>	<b>4,992,693,460</b>	<b>48.40</b>	<b>2,595,696,026</b>	<b>25.16</b>	<b>2,728,054,433</b>	<b>26.44</b>	<b>10,316,443,919</b>

## 2.6 County Expenditure as per Economic Classification

The table below analyses expenditure by the various spending entities.

*Table 7: FY 2021/22 County Expenditure as per Economic Classification*

<b>Economic Classification</b>	<b>Amount Spent</b>	<b>Percentage (%)</b>
Personnel Emoluments	4,992,693,460	48.40
Operations and Maintenance	2,595,696,026	25.16
Development	2,728,054,433	26.44
<b>Total</b>	<b>10,316,443,919</b>	<b>100.00</b>

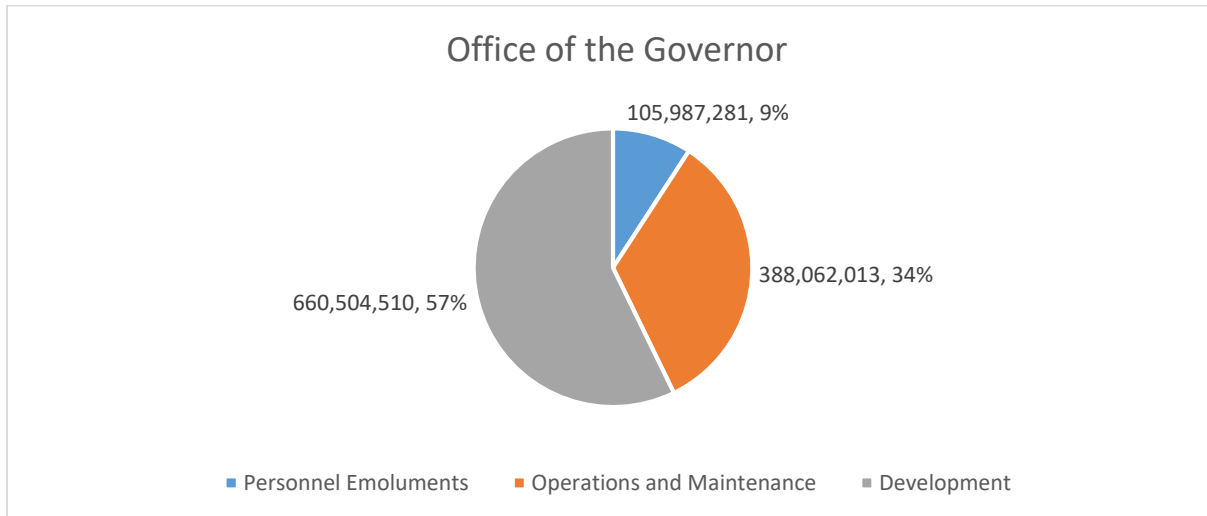


*Figure 1: County Expenditure*

## 2.7 Analysis of Individual Spending Entity FY 2021/22

### 2.7.1 Office of the Governor

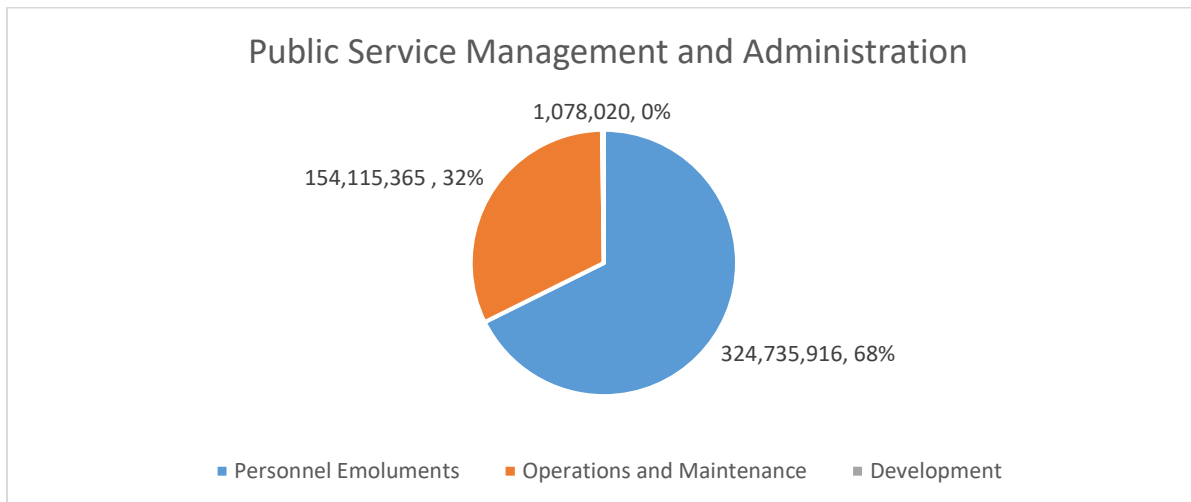
Office of the Governor had a budget allocation of Kshs. 1,637,223,828.00. During the period under review, the Ministry spent Kshs. 1,154,553,804.00, (70.52%). Out of this, Kshs. 660,504,510.00, (57.21 %) financed development projects, Kshs. 105,987,281.00, (9.18%) was spend on Personnel Emoluments while Kshs. 388,062,013.00, (33.61%)was spent on Operations and Maintenance.



**Figure 2: Office of the Governor**

### 2.7.2 Public Service Management and Administration

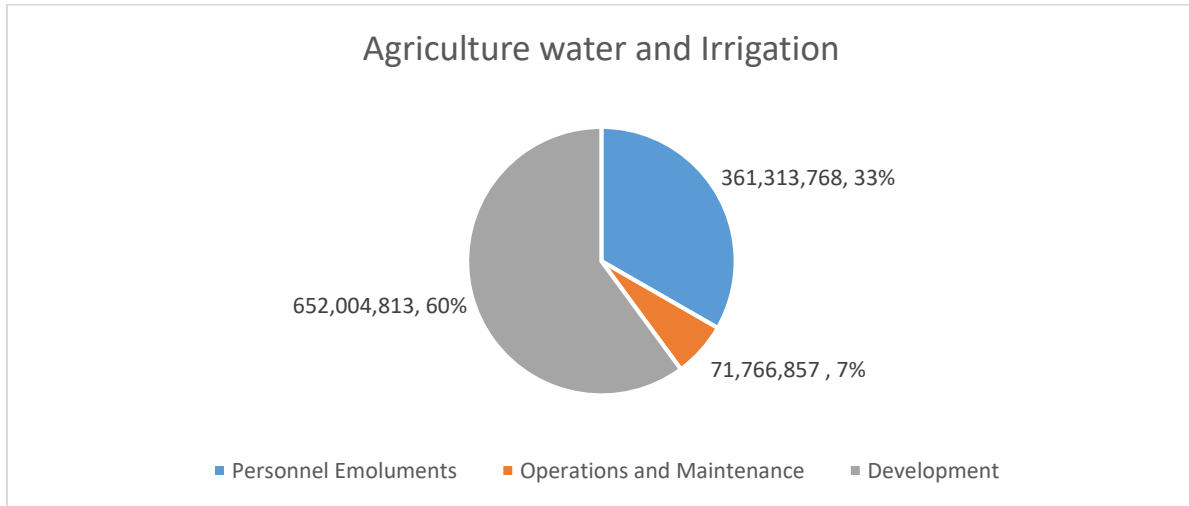
The County Ministry of Public Service Management and Administration’s expenditure reveals an expenditure of Kshs. 479,929,301.00 during the FY. This was (90.31%) of the budget allocation of Ksh. 531,405,844.00. Out of this, Kshs. 324,735,916.00, (67.66 %) financed personnel emoluments while Kshs. 154,115,365.00, (32.11 %) was spent on operations and maintenance. Development expenditure was Kshs 1,078,020.00 which is (0.22%) in the period.



**Figure 3: Public Service Management and Administration**

### 2.7.3 Agriculture, Water and Livestock Development

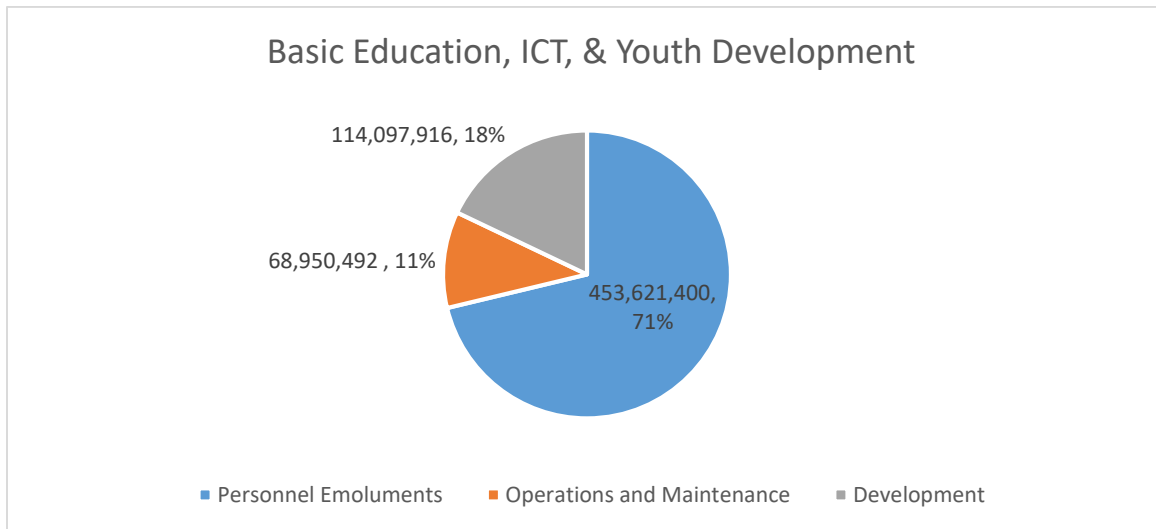
The County Ministry of Agriculture, Water and Livestock Development had a budget of Ksh. 1,497,361,553.00. During the period under review, the Ministry spent a total of Kshs. 1,085,085,438.00, (72.47%). Out of this, Kshs. 652,004,813. (60.09%) was spent on development, Kshs. 361,313,768.00, (33.30%) on personnel emoluments and Kshs. 71,766,857.00, (6.61 %) on operations and maintenance.



**Figure 4: Agriculture, Water and Irrigation**

### 2.7.4 Basic Education, ICT and Youth Development

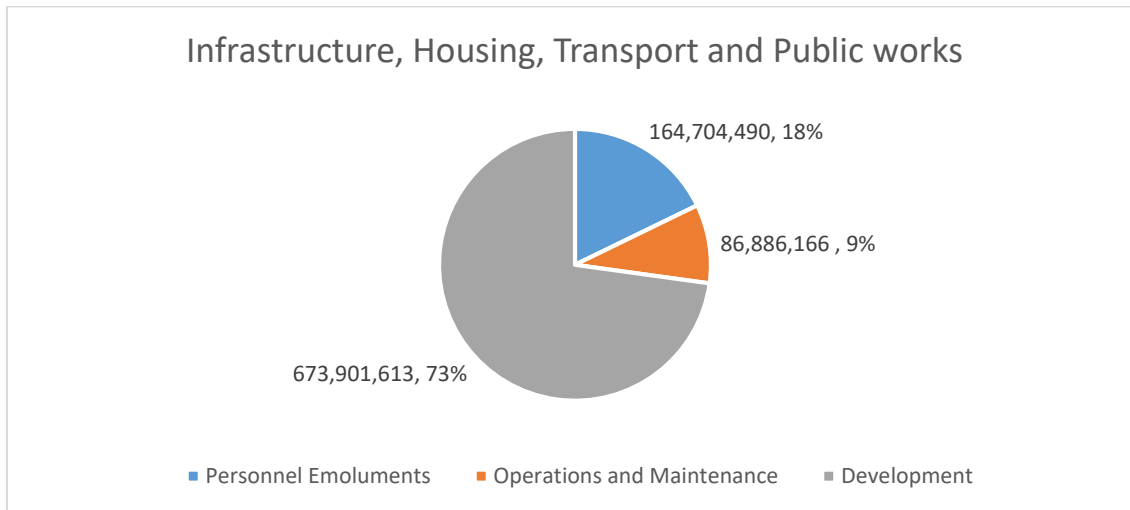
The budgetary allocation for the Ministry of Education was Kshs. 747,129,694.00. A total of Kshs. 636,669,808.00, (85.22%) was spent during the FY. This expenditure composed of; Personnel Emoluments Kshs. 453,621,400.00, (71.25%), Operations and Maintenance was Kshs. 68,950,492.00, 10.83% and development expenditure of 114,097,916.00, (17.92%).



**Figure 5: Basic Education, ICT & Youth Development**

### 2.7.5 Infrastructure, Housing, Transport and Public Works

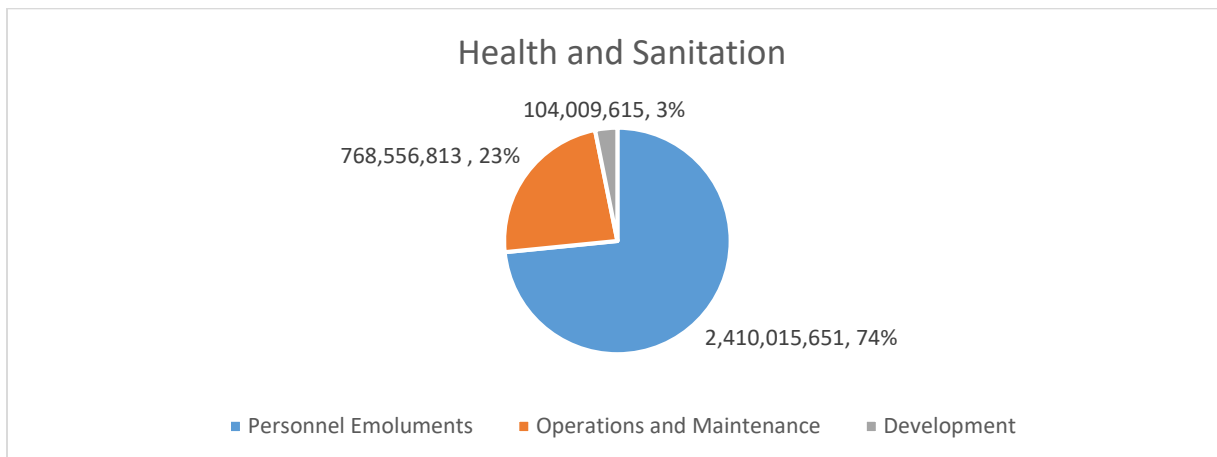
The budget for the County Ministry of Infrastructure, Housing, Transport and Public Works was Kshs. 1,025,068,809.00 out of which the ministry incurred a total expenditure of Kshs 925,492,269.00, (90.29%) during the period under review. A breakdown of the expenditure indicates that Kshs 673,901,613.00, (72.82) was spent on development, Kshs. 164,704,490.00 (17.80%) on personnel emoluments and Kshs. 86,886,166.00 (9.39%) on Operations and Maintenance.



**Figure 6: Infrastructure, Housing, Transport and Public Works**

### 2.7.6 Health and Sanitation

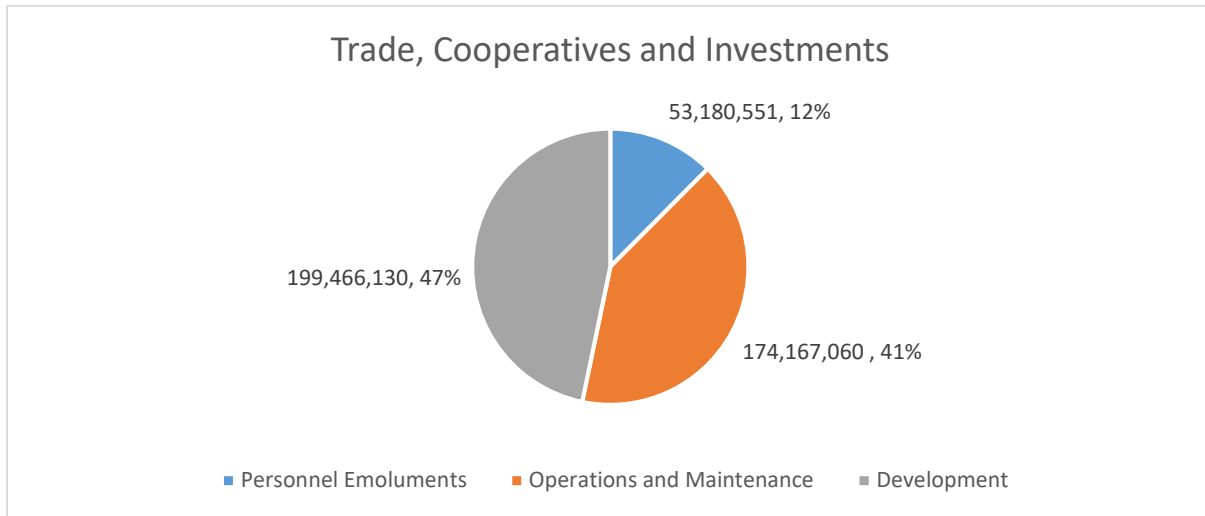
The County Ministry of Health and Sanitation had, in FY 2021/2022, incurred a total expenditure of Kshs. 3,282,582,079.00 which is (93.17%) of the total budgeted amount, of Kshs. 3,523,135,357.00. Out of this Kshs. 104,009,615.00, (3.17%), was spent on development activities, Kshs. 2,410,015,651.00, which translates to (73.42 %) went to Personnel emoluments while Kshs 768,556,813.00 (23.41%) went to Operations and Maintenance.



**Figure 6: Health and Sanitation**

### 2.7.7 Trade, Cooperatives and Investments

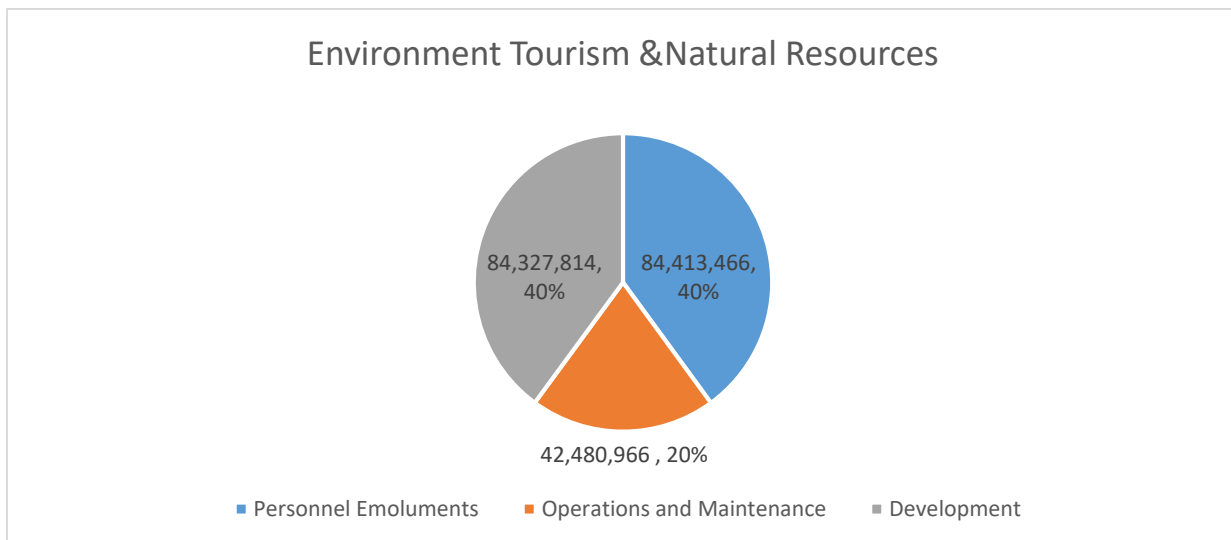
The Ministry of Trade had a budget of Kshs. 502,695,776.00. During the period under review, the total expenditure was Kshs. 426,813,741.00, (84.90%). Out of this amount, Kshs. 53,180,551.00, (12.46%) to Personnel Emoluments, Kshs. 174,167,060.00 (29.92%) went to Operations and Maintenance while Development expenditure amounted to Kshs. 199,466,130.00, (46.73%).



**Figure 7: Trade, Cooperatives & Investments**

### 2.7.8 Environment, Tourism and Natural Resources

Expenditure analysis at the ministry of Environment, Tourism and Natural Resources reveals that a total of Kshs. 211,222,246.00, (84.68%) was spent in the FY, out of the Kshs 249,423,655.00 budgeted for the Ministry. The expenditure was broken into Kshs. 84,413,466.00, (39.96%) Personnel Emoluments, Kshs. 42,480,966.00, (20.11%) on Operations and Maintenance and Kshs. 84,327,814.00, (39.92%) on development.



**Figure 8: Environment, Tourism & Natural Resources**



### 2.7.9 Gender, Sports and Culture

The Ministry of Gender, Sports & Culture had a total expenditure of Kshs, 93,638,524.00, 50.92% was incurred out of the budgeted Kshs 183,889,819.00. The expenditure was broken into Kshs. 35,026,640.00, (37.41%) Personnel Emoluments, Kshs. 31,667,047, (33.82%) on Operations and Maintenance and Kshs. 26,944,837.00, (28.78%) on development.

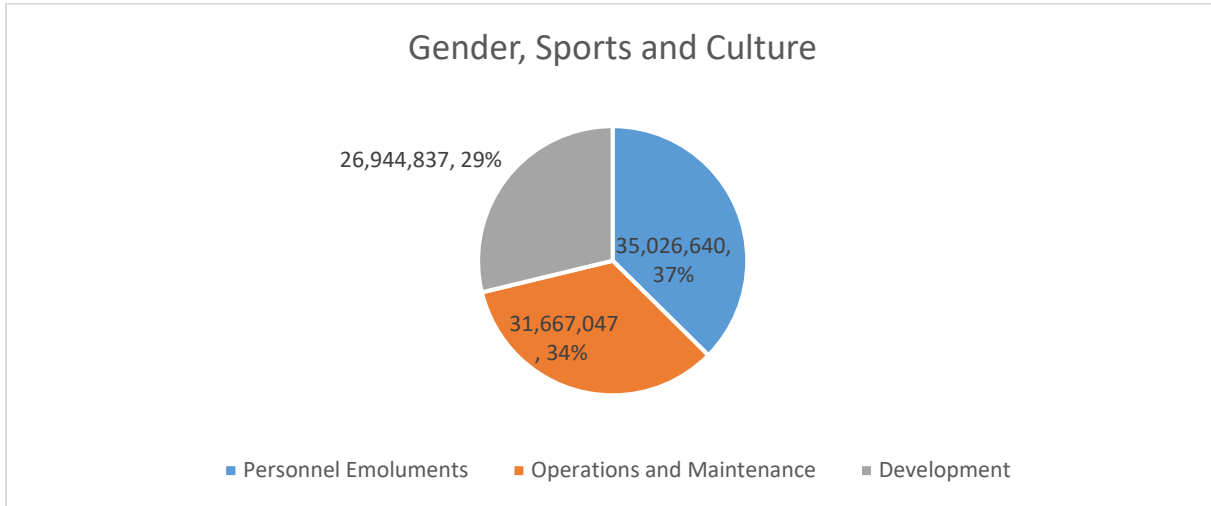


Figure 9: Gender, Sports & Culture

### 2.7.10 The County Treasury

The County Treasury had a budgetary allocation of Ksh. 763,573,825.00 of which Kshs. 592,278,034.00, (77.57%) was spent during the period. This expenditure was broken down into; personnel emoluments Kshs. 449,714,868.00, (75.93%), operations and maintenance Kshs 129,629,784.00, (21.89%). Development expenditure in the FY was Kshs. 12,933,382.00 (2.18 %).

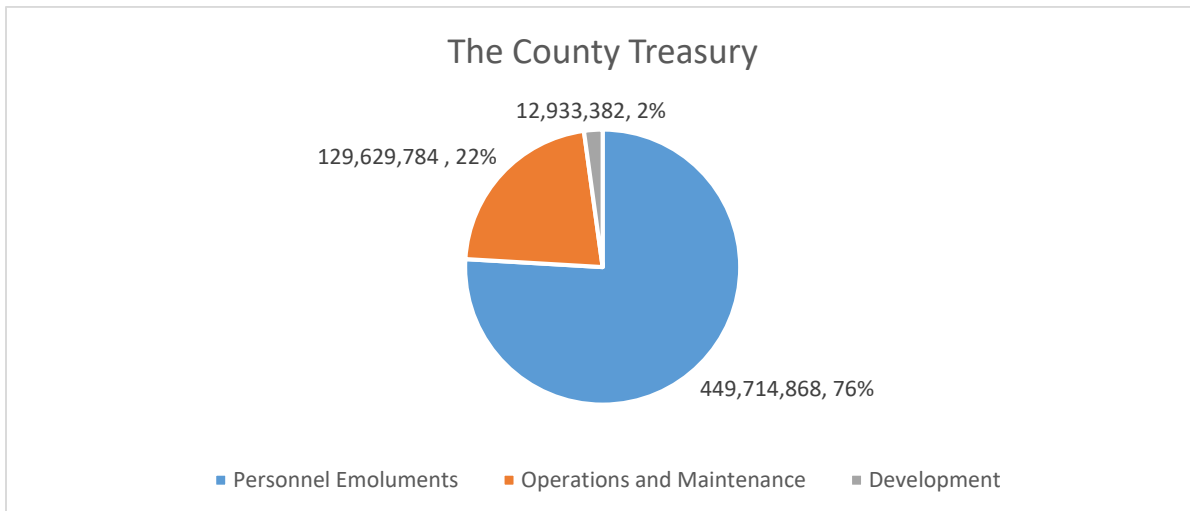
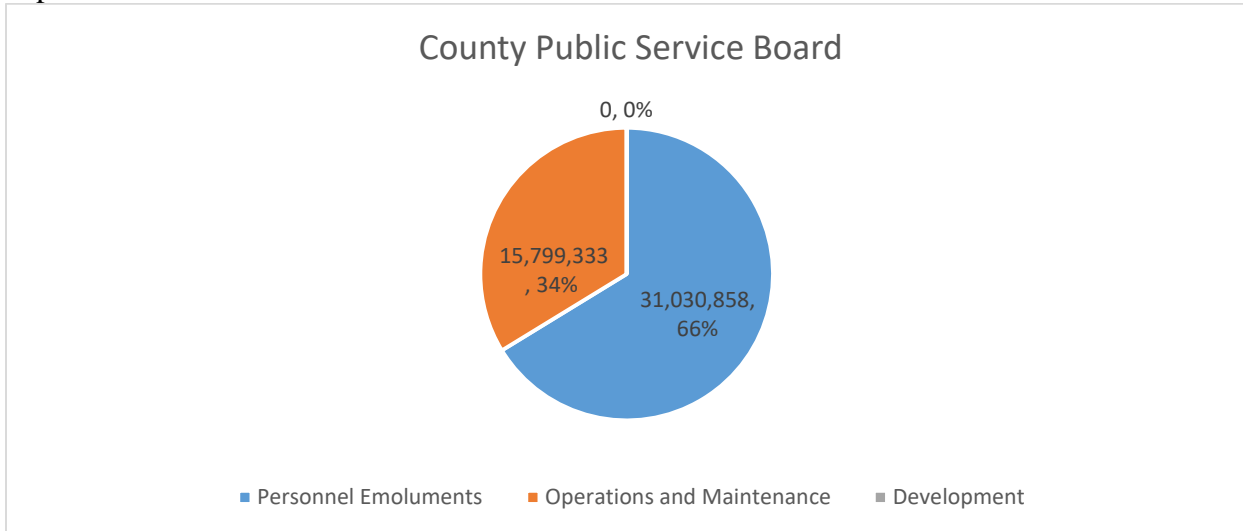


Figure 10: The County Treasury

### 2.7.11 County Public Service Board

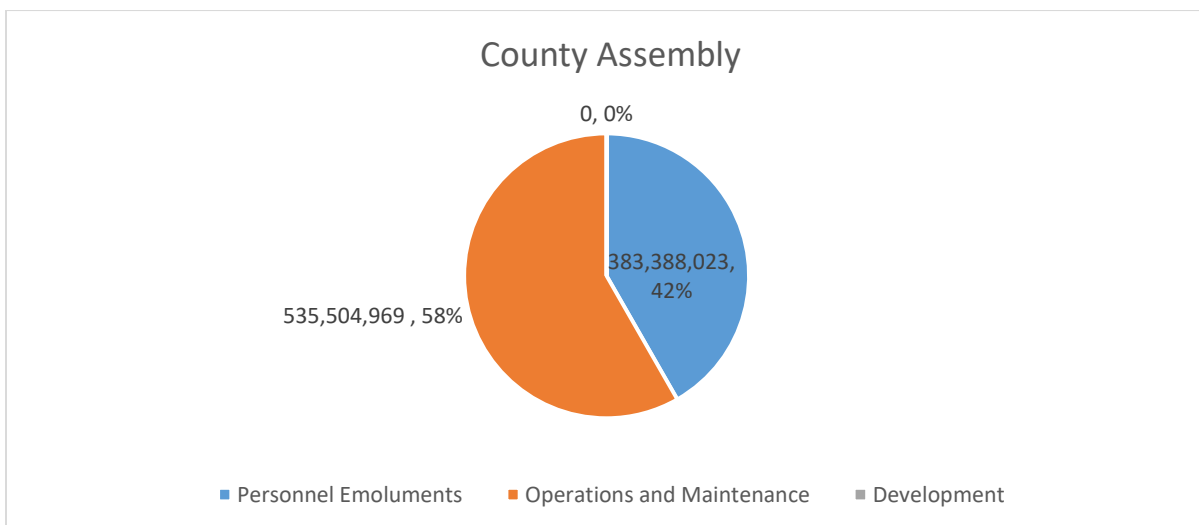
County Public Service Board had a budget allocation of Ksh. 55,314,766.00. The total expenditure incurred by the County Public Service Board was Kshs. 46,830,191.00, (84.66%). This expenditure was broken down into; personnel emoluments Kshs. 31,030,858.00, (66.26%), operations and maintenance Kshs 15,799,333.00, (33.74%). There was no development expenditure.



**Figure 11: County Public Service Board**

### 2.7.12 County Assembly

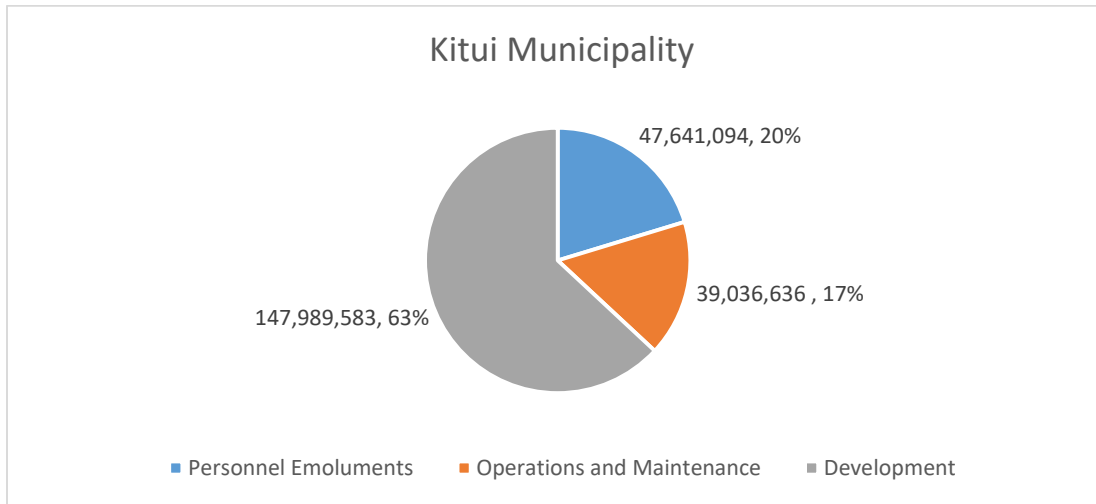
The County Assembly spent a total of Kshs. 918,892,992.00 which is (86.58%) of the total budgeted amount for the Ministry, Kshs. 1,061,357,431.00. This expenditure included Kshs. 383,388,023, (41.72%) spent on personnel emoluments, Kshs. 535,504,969.00, (58.28%) Spent on operations & maintenance. There was no development expenditure.



**Figure 12: The County Assembly**

### 2.7.13 Kitui Municipality

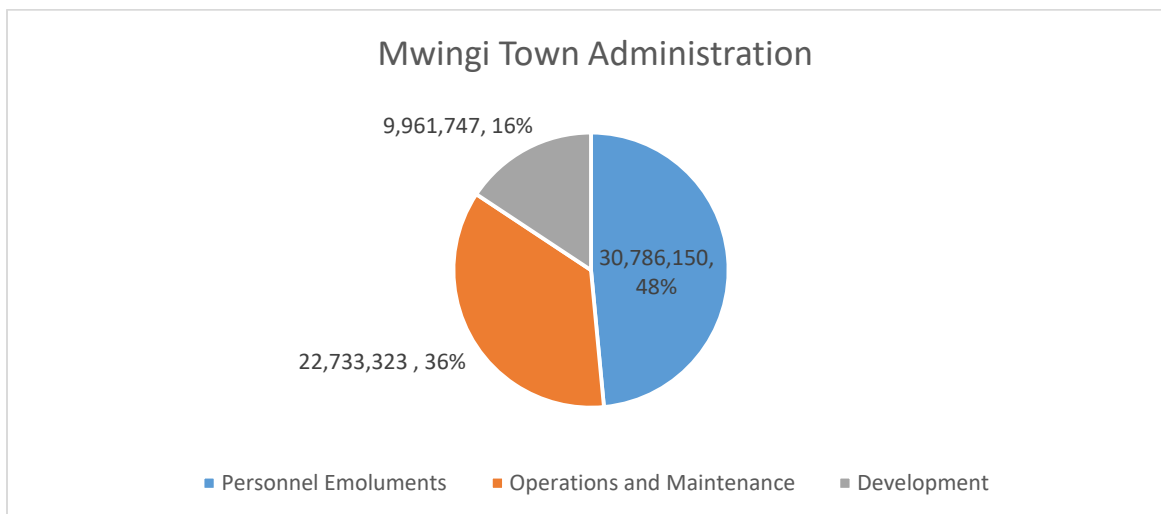
Kitui Municipality had a budget allocation of Kshs. 302,828,596.00 whereby a total of Kshs 234,667,313.00 (77.49%) was spent. This expenditure included the Kshs. 47,641,094.00 (20.30%) spent on personnel emoluments, the Kshs. 39,036,636.00 (16.63%) spent on operations and maintenance and the Kshs. 147,989,583.00 (63.06%) spent on development.



**Figure 13: Kitui Municipality**

### 2.7.14 Mwingi Town Administration

The Mwingi Town Administration spent a total of Kshs. 63,481,220.00 which was (54.71%) of the total budget allocation of Kshs. 116,034,126.00 for the Ministry. This expenditure included the Kshs. 30,786,150.00, (48.50%) spent on personnel emoluments, the Kshs. 22,733,323.00, (35.81%) spent on operations and maintenance and the Kshs. 9,961,747.00 (15.69%) spent on development.



**Figure 14: Mwingi Town Administration**

### 2.7.15 Livestock, Apiculture and Fisheries Development

The Ministry of Livestock, Apiculture and Fisheries Development spent a total of Kshs. 92,823,742.00 which was (72.60%) of the total budget allocation of Kshs. 127,852,832.00 for the Ministry. This expenditure was Kshs. 53,513,432.00 (57.65%) on Personal Emoluments, Kshs 15,839,734.00 (17.06%) on operations and maintenance and Kshs 23,470,576.00 (25.29%) on development.

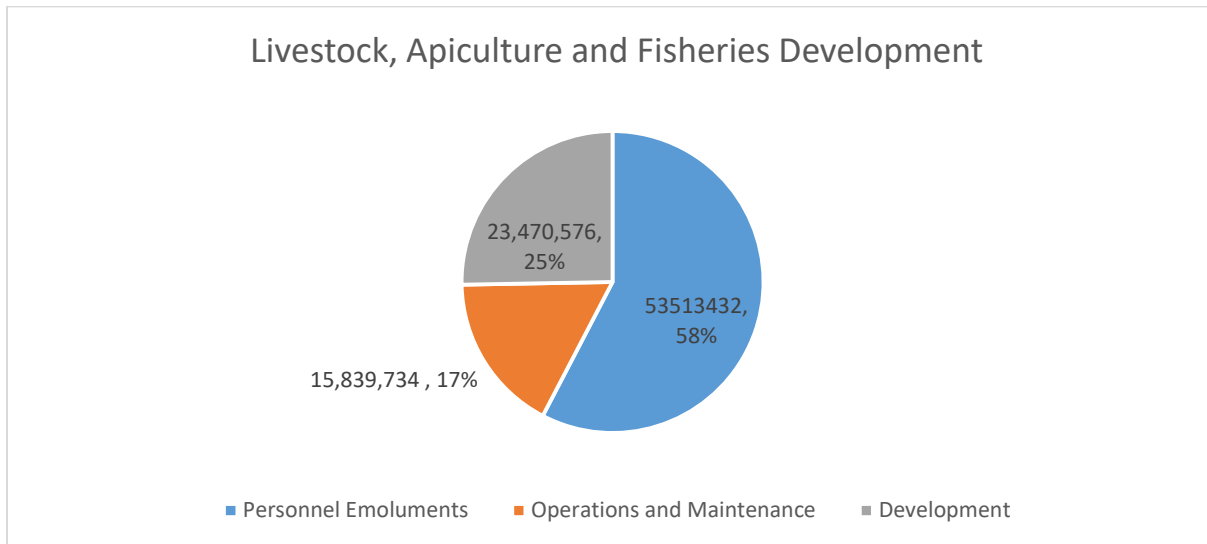


Figure 15: Livestock, Apiculture and Fisheries Development

### 2.7.16 Lands and physical Planning

The Ministry of Lands and physical Planning spent a total of Kshs. 71,483,217.00 which was (49.49%) of the total budget allocation of Kshs. 151,657,262.00 for the Ministry. This expenditure included the Kshs. 3,619,872.00, (5.06%) spent on personnel emoluments, the Kshs. 50,499,468.00, (70.65%) spent on operations and maintenance and the Kshs. 17,363,877.00, (24.29%) spent on development.

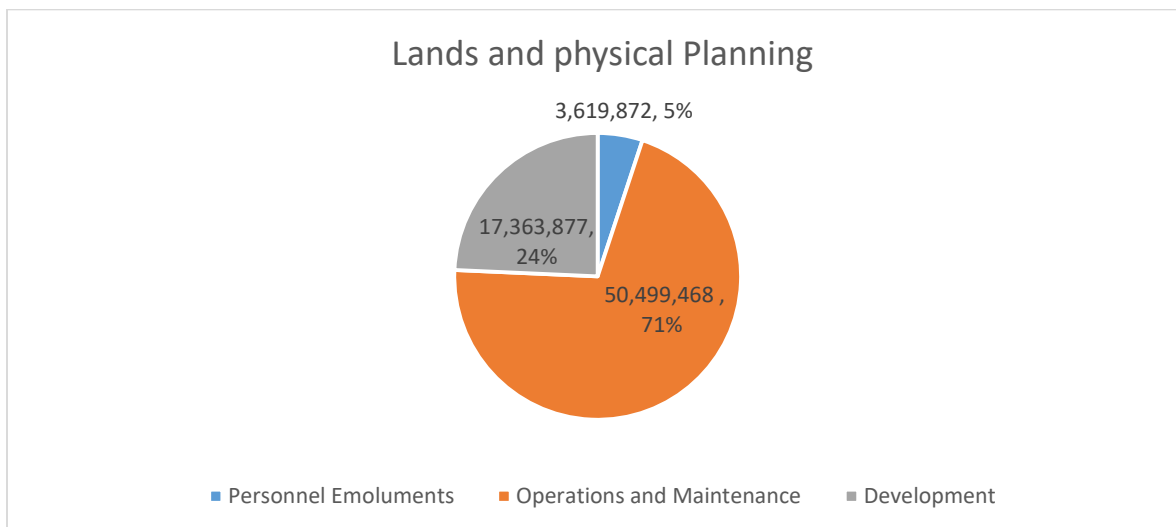


Figure 16: Lands and physical Planning

#### 4.0 IMPLEMENTATION CHALLENGES

The county experienced several challenges/issues that affected budget implementation during the financial year 2021/2022.

These are:

- **Inability to collect all the budgeted own source revenue:** The County collected only 49% of the targeted revenue. This is an underperformance that negatively creates a budget deficit.
- **Untimely monthly exchequer releases:** Accrued recurrent payments has been a major challenge during the period under review. This is as a result of late and limited exchequer releases, causing these accruals to be carried forward to the next period. .
- **Delayed Grant releases:** The County received 21% of the budgeted grant funds in the period. Delayed and non remittance by the donors has stalled the implementation of grant funded programmes, especially development.

#### 4.0 RECOMMENDATIONS

The following recommendations will enhance budget implementation

- **Realistic Revenue Targets:** Revenue targets should be informed by the previous years' revenue realization rate. This is crucial in setting realistic attainable revenue targets and alleviation of pending bills due to an inflated budget.
- **Timely Exchequer releases and Donor funding remittances:** The County Government should take up measures including through the Council of Governors Forum to ensure that both donor and exchequer funds are remitted within timelines