



COUNTY GOVERNMENT OF BUNGOMA

FIRST QUARTER BUDGET IMPLEMENTATION REVIEW REPORT FOR FY 2024/25

OCTOBER 2024

©2024 1st Quarter Budget Implementation Review Report (BIRR)

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FOREWORD

County Government Budget Implementation Review Report (CBIRR) for the three months of the Financial Year (FY) 2024/25 has been prepared in conformity with Article 228 (6) of the Constitution and Section 9 of the Controller of Budget Act, 2016, which require the Controller of Budget (COB) to submit to Parliament a report on the implementation of the budgets of the National and County Governments every three months. The report also fulfils requirements of Section 39 (8) of the Public Finance Management (PFM) Act, 2012, which requires the COB to ensure members of the public access information on budget implementation of the National and County Governments.

This report presents the Bungoma county governments' budget performance for July to September 2024. It is based on an analysis of financial and non-financial performance submissions from the CDAs, and County Assembly to the County Treasury and financial reports generated from the Integrated Financial Management Information System (IFMIS). Some of the information contained in this report includes; approved budgets, budget financing, exchequer issues, actual expenditure and budget absorption rates of the County Governments during the reporting period.

Preparation of this report was made possible through the concerted efforts of staff from the CDAs and the Assembly, to whom I am highly grateful for their dedication. I urge all readers to constructively engage the county government on budget implementation matters to promote prudent use of public resources.



CPA CHRISPINUS BARASA
CECM-FINANCE AND ECONOMIC PLANNING

ABBREVIATIONS AND ACRONYMS

ADP: Annual Development Plan

APR: Annual Progress Report

CBEF: County Budget Economic Forum

CDAs: County Departments and Agencies

CIDP: County Integrated Development Plan

CIDP: County Integrated Development Plan

CIMES: County Integrated Monitoring and Evaluation System

COK: Constitution of Kenya

CSP: County Sectoral Plan

FGD: Focus Group Discussion

GOK: Government of Kenya

HIV: Human Immunodeficiency Virus

IBEC: Intergovernmental Budget Economic Council

ICT: Information Communication Technology

KII: Key Informant Interview

M&E: Monitoring and Evaluation

MDAs: Ministries, Departments and Agencies

MTEF: Medium Term Expenditure Framework

MTP: Medium Term Plan

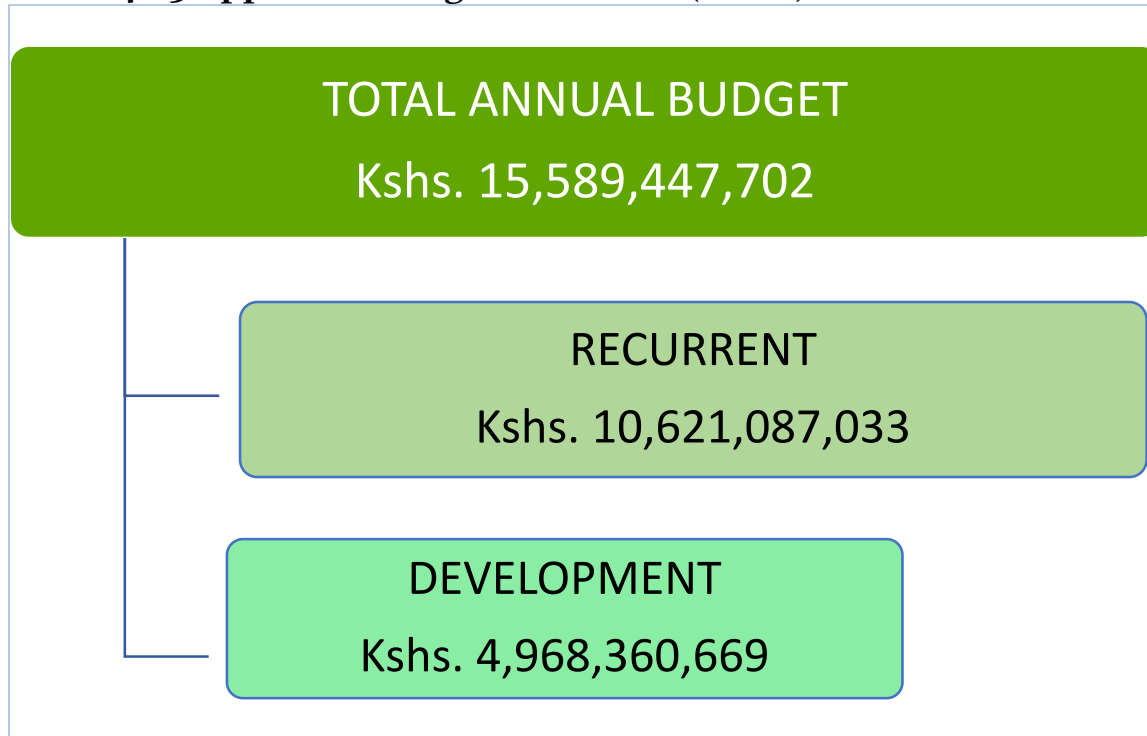
MTR: Mid-Term Review

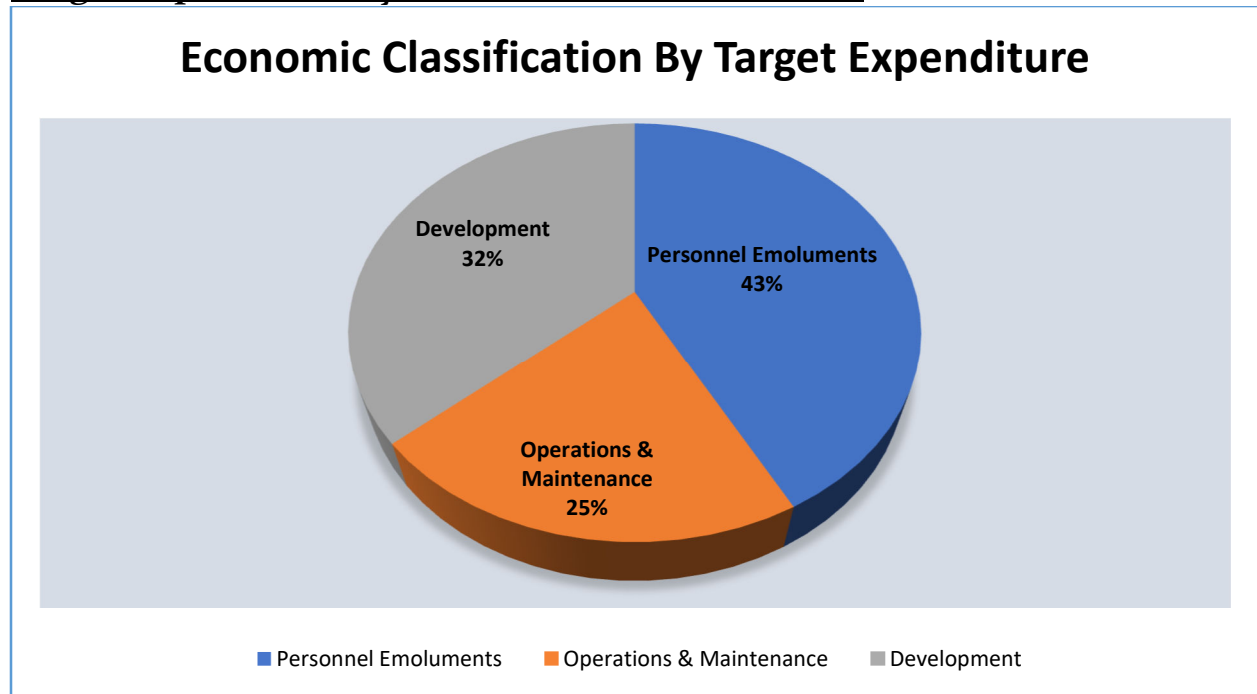
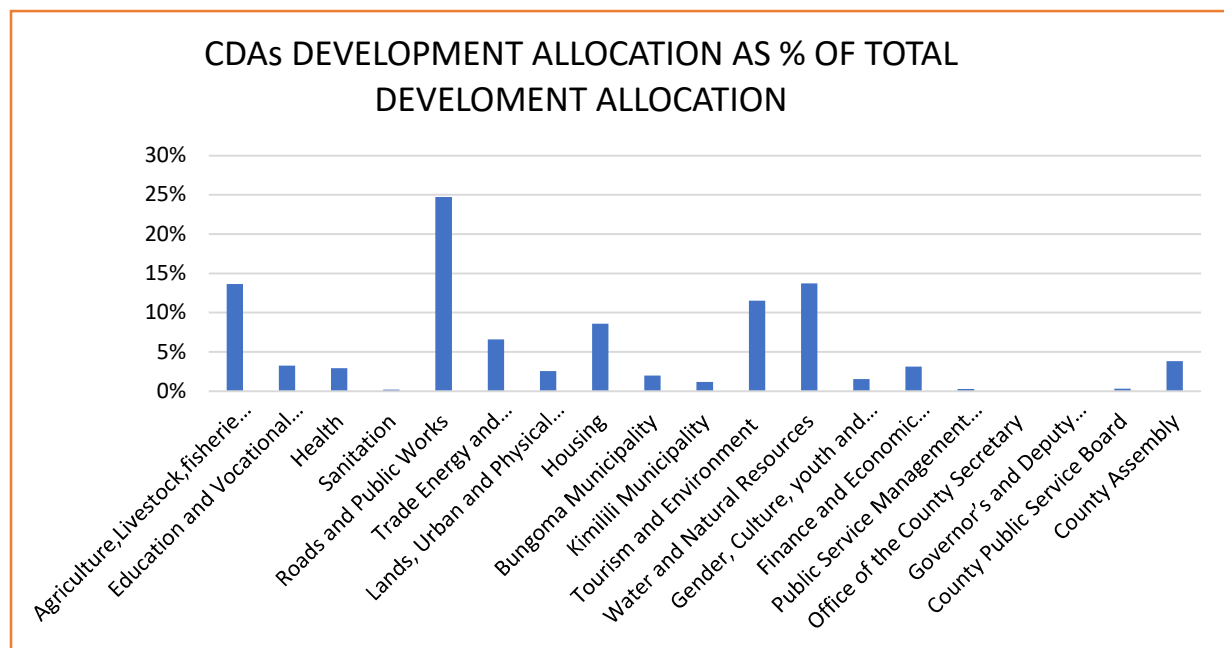
NT&P: The National Treasury & Planning

PFMA: Public Finance Management Act

PPP: Public Private Partnership

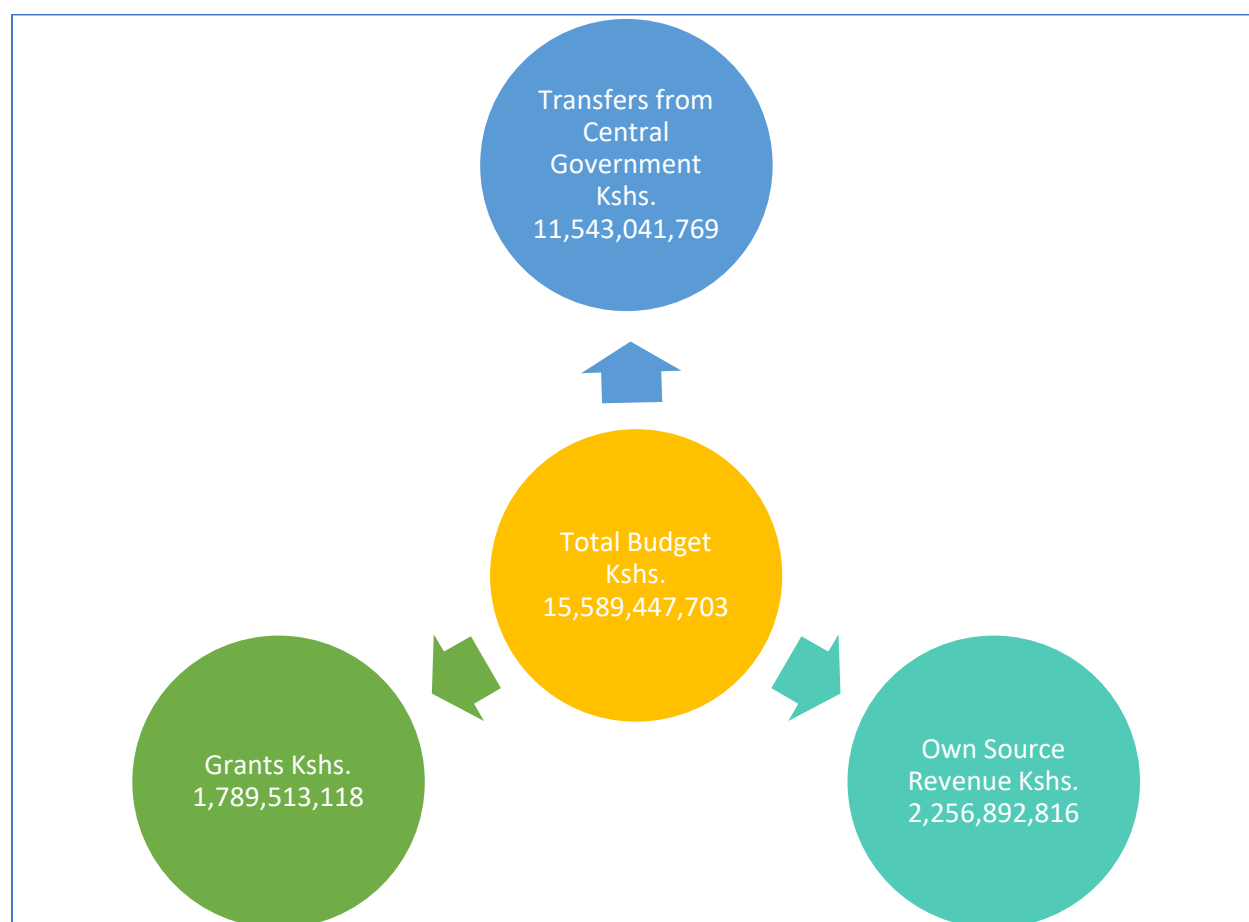
SWG: Sector Working Group

KEY HIGHLIGHTS**FY 2024/25 Approved Budget Estimates (Kshs.)**

Target Expenditure by Economic Classification %**FY 2024/25 CDAs Development Budget Allocation as a Percentage of the total Budget**

Total Revenue Available for Financial Year 2024/25

REVENUE SOURCE	APPROVED ANNUAL BUDGET FY 2024/25
	Kshs.
Transfers from Central Government	11,543,041,769
Conditional Grant- National Government:	487,904,999
Conditional Grants - Development Partners:	1,301,608,119
Locally Generated AIA:	1,063,647,395
LOCAL REVENUE AS TARGET PER FINANCE ACT	1,193,245,421
Total	15,589,447,703



EXECUTIVE SUMMARY:

This report covers the budget implementation for three months of FY 2024/25. The report covers two major sections; the revenue analysis section and the expenditure analysis part. In the revenue, the report details the total revenue collected for the year in the revenue streams and classifications. This part also indicates the current status of revenue collection target for the period. The second part analyses both the recurrent and development expenditure by the County Government entities during the period under review.

The County Government's total approved budget for 2024/25 FY amounts to Kshs 15,589,447,702. Recurrent allocation of Kshs 10,621,087,033 and Development allocation of Ksh 4,968,360,669 distributed in its CDAs as illustrated below;

DEPARTMENT	RECURRENT	DEVELOPMENT	TOTAL
Agriculture, Livestock, Fisheries, and Co-op Development	383,577,441	677,770,381	1,061,347,822
Education and Vocational Training Centres	1,470,531,111	161,150,000	1,631,681,111
Health	3,115,227,933	146,320,159	3,261,548,092
Hospital Facilities	1,169,247,401	-	1,169,247,401
Sanitation	1,248,350	10,429,894	11,678,244
Roads and Public Works	129,135,678	1,226,748,613	1,355,884,291
Trade	39,752,251	153,384,331	193,136,581
Trade Loan	-	30,000,000	30,000,000
Energy	23,956,042	65,033,314	88,989,356
Industrialization	24,906,356	80,000,000	104,906,356
Lands, Urban and Physical Planning	53,375,232	126,790,043	180,165,275
Housing	52,655,527	427,299,481	479,955,008
Bungoma Municipality	55,949,973	99,065,924	155,015,897
Kimilili Municipality	42,698,217	57,980,097	100,678,314
Tourism and Environment	67,166,837	572,588,665	639,755,502
Water and Natural Resources	75,513,691	680,889,689	756,403,380
Gender, Culture	75,120,355	18,164,663	93,285,018
Women Fund	-	5,000,000	5,000,000
Disability Fund	-	5,000,000	5,000,000
Youth and Sports	23,007,518	48,817,068	71,824,586
Youth Fund	-	-	-
Finance and Economic Planning	1,139,370,339	155,718,949	1,295,089,288
Public Service Management and Administration	580,018,391	14,191,092	594,209,483
Sub County Administration	8,265,905	-	8,265,905
Office of the County Secretary	111,200,848	-	111,200,848

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DEPARTMENT	RECURRENT	DEVELOPMENT	TOTAL
Governor's Office	723,658,690	-	723,658,690
Deputy Governor's Office	38,642,390	-	38,642,390
County Public Service Board	49,910,124	16,018,306	65,928,430
County Assembly	1,166,950,433	190,000,000	1,356,950,433
Ward Based Projects	-	-	-
Grand Total	10,621,087,033	4,968,360,669	15,589,447,702

1. INTRODUCTION

Legal basis for preparation of quarterly reports

This report is prepared in accordance with section 166 (1) and 166 (4) of the Public Finance Management Act 2012. The act requires that, “An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity”. Further, “not later than one month after the end of each quarter, the County Treasury shall—

- a) Consolidate the quarterly reports and submit them to the county assembly;
- b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
- c) Publish and publicize them.

2. FINANCIAL ANALYSIS OF THE COUNTY BUDGET IMPLEMENTATION IN THREE MONTHS OF FY 2024/25

2.1 Introduction

This chapter presents a financial analysis of aggregated county budget implementation for three months of FY 2024/25.

2.2 Revenue Analysis

In three months of FY 2024/25, the combined Bungoma County governments’ budget approved by the County Assembly amounted to Kshs. 15.58 billion that comprised Kshs. 4.96 billion (32 per cent) allocated to development expenditure and Kshs. 10.62 billion (68 per cent) for recurrent expenditure.

To finance the budget, the County expects to receive Kshs. 11.54 billion (74.0 per cent) as the equitable share of revenue raised nationally, Kshs. 1.79 billion (11.5 per cent) as additional allocations/conditional grants, and generate Kshs. 2.26 billion (14.5 per cent) as gross own source revenue. The own source revenue includes Kshs. 1.06 billion (6.8 per cent) as ordinary Appropriations-in-Aid (A-I-A), and, Kshs. 1.19 billion (7.6 per cent) as ordinary own-source revenue. A breakdown of the additional allocations/conditional grants is provided in Table 2.1.

Own- Source Revenue

In the first three months of FY 2024/25, the County received Kshs. 1.83 billion as the equitable share of the revenue raised nationally, Kshs. 54 million as conditional grants from national government, 11 million from development partners, and raised Kshs. 189 million as own-source revenue (OSR). The raised OSR includes Kshs. 125 million as ordinary A-I-A and Kshs. 64 million as ordinary OSR. The total funds available for budget implementation during the period amounted to Kshs. 2.08 billion, as shown in Table 2.1.

Table 2.1: Total Funds available for Budget Implementation

No	Revenue Stream	Annual Targeted Revenue (Kshs.)	Actual Revenue (Kshs.)	Actual receipt % Annual allocation
1	Total Equitable share	11,543,041,769	1,833,477,295	16%
	Exchequer (Transfer from the central government)	11,543,041,769	1,833,477,295	16%
2	Conditional Grant- National Government:	487,904,999	-	
	SHIF Reimbursement	105,600,000	-	
	UNFPA	7,400,000	-	
	Community Health Promoters	107,400,000	-	
	Rural Electrification and Renewable Energy Corporation (REREC)	45,000,000	-	
	Kenya Livestock Commercialization Project (KELCLOP)	37,950,000	-	
	Roads: I) Fuel Levy Fund	184,554,999	-	
3	Conditional Grants- Development Partners:	1,301,608,119	64,131,579	5%
	UNICEF	1,571,000	-	
	Danish International Development Agency (DANIDA)	13,698,750	-	
	National Agricultural Value Chain Development Project (NAVCDP)	151,515,152	-	
	Kenya Devolution Support Programme- Level 1	37,500,000	-	
	Lands: I) Urban Support Programme(Development)	100,434,139	-	
	II) Urban Support Programme(Recurrent)	35,000,000	-	
	III) KISP II (Kenya Informal Settlement Improvement Project)	297,400,190	-	
	Finance Locally Led Climate Action Program (FLLOCA)- Water	11,000,000	11,000,000	100%
	Industrial Park		54,131,579	
	Climate change grant	153,488,888	-	
	Water and Natural Resources I) WATER KOICA	500,000,000	-	
5	Local generated Revenue	1,193,245,421	64,096,714	5%
6	Aids in Appropriation	1,063,647,395	125,180,613	12%
	Health	1,063,647,395	125,180,613	12%
	Total	15,589,447,703	2,086,886,201	13%

Resource Envelope

SOURCE	Revised 1 st Supplementary Estimates FY 2023/24 (Kshs)
Transfers from Central Government	11,543,041,769
Grants	1,789,513,118
Own Source Revenue	2,256,892,816
Total	15,589,447,703

Table 2.2: Own Source Revenue Collection for the Period July to December 2023 of FY 2023/24

Local Revenue

No	Revenue stream	Annual target fy 2024/2025	actual Received 1st quarter fy 2024/2025	Variance	% Collection of OSR against annual target
1	Land Rates	163,814,018	1,634,121	162,179,897	1
2	Alcohol drinks licenses	25,253,042	1,009,100	24,243,942	4
3	Single Business Permits	176,148,442	4,005,200	172,143,242	2
4	Application fees	10,537,000	424,000	10,113,000	4
5	Renewal fees	15,348,870	401,500	14,947,370	3
6	Conservancy fees	18,551,802	824,509	17,727,293	4
7	Fire Compliance	44,852,475	1,185,650	43,666,825	3
8	Advertisement fees	48,957,759	1,431,050	47,526,709	3
9	Food and Drugs Permit	30,137,645	166,200	29,971,445	1
10	Hire of Machinery	4,866,853	-	4,866,853	-
11	Parking fees	19,593,151	2,028,900	17,564,251	10
12	Bodaboda parking	8,361,979	76,000	8,285,979	1
13	House Rent	12,510,270	2,606,500	9,903,770	21
14	Plan Approval	28,241,588	2,474,765	25,766,823	9
15	Inspection fee	4,173,555	483,500	3,690,055	12
16	Ground Rent	5,365,838	214,140	5,151,698	4
17	Market fees	80,110,046	9,843,130	70,266,916	12
18	Enclosed Bus Park Fee	65,362,848	15,892,381	49,470,467	24
19	Slaughter fee	20,954,007	777,800	20,176,207	4
20	Cess	100,014,389	5,219,407	94,794,982	5
21	Market shops rent	4,260,470	447,500	3,812,970	11
22	Stock Sales	15,596,617	1,719,710	13,876,907	11
23	Penalties	16,043,022	336,150	15,706,872	2
24	Consent to charge	279,613	12,000	267,613	4
25	Survey fees & Beacon search	781,330	-	781,330	-

No	Revenue stream	Annual target fy 2024/2025	actual Received 1st quarter fy 2024/2025	Variance	% Collection of OSR against annual target
26	Co-operative Audit fees	3,029,367	49,500	2,979,867	2
27	Payroll Product	273,022	973,863	- 700,841	357
28	Imprest recovery	5,000,000	118,687	4,881,313	2
29	Bank Commissions	7,920,000	3,101,940	4,818,060	39
30	Salary Recovery	3,517,012	5,000	3,512,012	0
31	Fisheries	5,523,366	37,850	5,485,516	1
32	Occupational Report	730,378	38,375	692,003	5
33	Weights and Measures	2,877,531	197,200	2,680,331	7
34	Physical Planning fees	334,351	-	334,351	-
35	Change of User fees	196,410	10,000	186,410	5
36	Sale of fertilizers	163,000,000	-	163,000,000	-
37	Mabanga AMC	5,000,000	136,000	4,864,000	3
38	Mabanga ATC	42,924,377	4,826,509	38,097,868	11
39	Livestock	10,429,233	854,099	9,575,134	8
40	Duplicate Permit	-	3,000	- 3,000	
41	Burial Fees	124,000	30,000	94,000	24
42	Stadium Hire	3,773,830	11,000	3,762,830	0
43	Miscellaneous Income	-	1,430	- 1,430	
44	Technical services	-	-	-	
45	Plot transfer	454,672	48,000	406,672	11
46	Change of Business name	-	1,500	- 1,500	
47	Impound Charges	2,706,094	78,349	2,627,745	3
48	Tender document sale	-	-	-	
49	Sand harvesting fee	-	-	-	
50	Other charges	-	17,800	- 17,800	
51	Clearance certificate	-	72,000	- 72,000	
52	Extension of lease	-	215,500	- 215,500	
53	Overpayment Recovery	-	13,000	- 13,000	
54	Pulping	-	10,000	- 10,000	
55	Certificate of compliance	-	18,100	- 18,100	
56	Noise pollution	2,273,388	8,800	2,264,588	0
57	Property Sub-division	-	6,000	- 6,000	
58	Quarrying and Royalties	4,785,074	-	4,785,074	-
59	Registration of schools	4,205,000	-	4,205,000	-
60	Material testing	4,051,688	-	4,051,688	-
	Total	1,193,245,421	64,096,714	1,129,148,707	5

Appropriation in Aid

S.No	Department	Target	Actual in three months to 30th September	Variance	% of Collection of AIA Against Annual Target
1	Health	1,063,647,395	125,180,613	-938,466,782	12%
	Total (B)	1,063,647,395	125,180,613	-938,466,782	12%
	Total (A+B)	2,256,892,816	189,277,327	-2,067,615,489	17%

The revenue in the quarter one of financial year 2024/25 had an overall negative variance of kshs 2,067,615,489 on own source revenue, a negative variance of kshs 1,129,148,707 on local Revenue and a negative variance of Kshs. 938,466,782 on AIA which is hoped to be favorably collected during the remaining period of the financial year under review.

On average, local revenue has only achieved a 4% actual collection and AIA has achieved a 12%

2.3 Funds Released to the County

2.3.1 Funds released from the Consolidated Fund to Bungoma County CRF.

Article 207 of the Constitution of Kenya provides for the establishment of a County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government. As outlined under Section 109 of the Public Finance Management (PFM) Act, 2012 the County Treasury is responsible for administration of the County Revenue Fund. The County Revenue Fund is maintained as the County Exchequer Account at the Central Bank of Kenya.

In three months of the FY 2024/25, the Controller of Budget (COB) approved the transfer of Kshs. 1.83 billion as an equitable share of revenue raised nationally from the Consolidated Fund to the Bungoma County Revenue Funds (CRFs) per Article 206 (4) of the Constitution. The transferred amount represented 15.8 per cent of the approved equitable share of Kshs.11.11billion as contained in the County Allocation of Revenue Act, 2021.

2.3.2 Funds Released to the County Operational Accounts

The withdrawal of funds from the County Revenue Fund is authorized by the County appropriation Act. The County Treasury is required to seek the Controller of Budget's approval for withdrawal of funds from the County Revenue Fund to the County Executive and County Assembly bank accounts. These entities are responsible for the administration of their respective approved budgets.

The COB authorized withdrawals of Kshs. 1.04 billion from the County Revenue Funds to County Operational Account comprising of Kshs.104 million for development expenditure and Kshs. 941 million for recurrent expenditure respectively. Chapter three provides a detailed analysis of the funds released to each department. Expenditure on development programmes represented an absorption rate of 0.9 per cent, while recurrent expenditure represented 8.8 per cent of the annual recurrent expenditure budget.

Table 2.2: Expenditure by Major Economic Classification Three Months of FY 2024/25

DEPARTMENTS	PERSONNEL EMOLUMENTS KSHS.	OPERATIONS & MAINTENANCE KSHS.	RECURRENT EXPENDITURE KSHS.	DEVELOPMENT KSHS.	TOTAL EXPENDITURE KSHS.
Agriculture, Livestock, Fisheries and Co-op Development	24,834,594	499,625	25,334,219	15,554,305	40,888,524
Tourism, Forestry, Environment	2,872,708	0	2,872,708	40,750,009	43,622,717
Water and Natural Resources	3,531,345	137,600	3,668,945	0	3,668,945
Roads and Public works	6,721,836	137,600	6,859,436	0	6,859,436

DEPARTMENTS	PERSONNEL EMOLUMENTS KSHS.	OPERATIONS & MAINTENANCE KSHS.	RECURRENT EXPENDITURE KSHS.	DEVELOPMENT KSHS.	TOTAL EXPENDITURE KSHS.
Education,	94,888,473	137,600	95,026,073	0	95,026,073
Health and Sanitation	431,022,029	137,600	431,159,629	0	431,159,629
Trade, energy and industrialization	2,440,305	137,600	2,577,905	48,680,375	51,258,280
Land, Urban and Physical Planning	2,111,953	135,100	2,247,053	0	2,247,053
Bungoma Municipality	1,676,783	0	1,676,783	0	1,676,783
Kimilili Municipality	1,297,847	0	1,297,847	0	1,297,847
Housing	839,752	135,100	974,852	0	974,852
Gender, Culture	3,608,227	260,500	3,868,727	0	3,868,727
Youth & Sports	864,089	0	864,089	0	864,089
Finance and Planning	68,964,821	20,514,445	89,479,266	0	89,479,266
County Public Service	1,061,962	636,718	1,698,680	0	1,698,680
Office of the Governor's & Deputy Governor	42,540,363	1,148,401	43,688,764	0	43,688,764
Public Administration	69,663,427	50,000	69,713,427	0	69,713,427
Office of the County Secretary & County Attorney	0	275,600	275,600	0	275,600
County Executive	758,940,514	24,343,489	783,284,003	104,984,689	888,268,692
County Assembly	82,032,489	76,599,861	158,632,350	0	158,632,350
TOTALS	840,973,003	100,943,350	941,916,353	104,984,689	1,046,901,042

Source: County Treasury

The departments that attained the highest expenditure in absolute terms were; Health and sanitation at Kshs.431 million, County Assembly at Kshs. 158 million, Education and Vocational Training at Kshs. 95 million, and Finance and Economic Planning at Kshs. 89 million and. Housing and office of the County Secretary recorded the lowest expenditure at Kshs.864 thousand, Kshs. 275 thousand, respectively.

A review of cumulative expenditure by economic classification showed that Kshs.840 million was spent on Personnel Emoluments, Kshs. 941 million on Operations and Maintenance, and Kshs. 104 million on Development Expenditure.

2.3.3 Development Expenditure

The County governments spent Kshs 104 million on development activities, representing an absorption rate of 2 per cent. Analysis of county budgets and expenditure in three months of the FY 2024/25 is provided in Table 2.3.

Table 2.3: County Budget Allocation, Expenditure and Absorption Rate for three months of FY 2024/25

Ministry/Department	Budget Estimates (Kshs.) FY 2024/2025			Expenditure (Kshs.) 1st Quarter 2024/2025			Absorption rate		
	Recurrent	Development	Total Estimates (Kshs.)	Recurrent (Kshs.)	Development (Kshs.)	Total Expenditure (Kshs)	Absorption Rate (%)	Absorption Rate (%)	Overall Absorption Rate (%)
Agriculture, Livestock, Fisheries And Cooperative Development	383,577,441	677,770,381	1,061,347,822	25,334,219	15,554,305	40,888,524	7%	2%	9%
Health And Sanitation	4,285,723,684	156,750,053	4,442,473,737	431,159,629	-		10%		10%
Roads And Public Works	129,135,678	1,226,748,613	1,355,884,291	6,859,436	-		5%		5%
Education And Vocational Training	1,470,531,111	161,150,000	1,631,681,111	95,026,073	-		6%		6%
Finance And Economic Planning	1,139,370,339	155,718,949	1,295,089,288	89,479,266	-		8%		8%
Trade, Energy & Industrialization	88,614,649	328,417,644	417,032,293	2,577,905	48,680,375	51,258,280	3%	15%	18%
Lands, Urban And Physical Planning	53,375,232	126,790,043	180,165,275	2,247,053	-		4%		4%
Housing	52,655,527	427,299,481	479,955,008	974,852	-		2%		2%
Bungoma Municipality	55,949,973	99,065,924	155,015,897	1,676,783	-		3%		3%
Kimilili Municipality	42,698,217	57,980,097	100,678,314	1,297,847	-		3%		3%
County Public Service Board	49,910,124	16,018,306	65,928,430	1,698,680	-		3%		3%
Public Service Management And Administration.	588,284,296	14,191,092	602,475,388	69,713,427	-		12%		12%
Office Of The County Secretary And County Attorney	111,200,848	0	111,200,848	275,600	-		0%		0%

	Budget Estimates (Kshs.) Fy 2024/2025			Expenditure (Kshs.) 1st Quarter 2024/2025			Absorption rate		
Ministry/Department	Recurrent	Development	Total Estimates (Kshs.)	Recurrent (Kshs.)	Development (Kshs.)	Total Expenditure (Kshs)	Absorption Rate (%)	Absorption Rate (%)	Overall Absorption Rate (%)
Gender And Culture	75,120,355	28,164,663	103,285,018	3,868,727	-		5%		5%
Youth And Sports	23,007,518	48,817,068	71,824,586	864,089	-		4%		4%
Governor's And Deputy Governor's Office	762,301,080	0	762,301,080	43,688,764	-		6%		6%
Environment, Tourism And Climate Change	67,166,837	572,588,665	639,755,502	2,872,708	40,750,009	43,622,717	4%	7%	11%
Water And Natural Resource	75,513,691	680,889,689	756,403,380	3,668,945		3,668,945	5%	0%	5%
County Assembly	1,166,950,433	190,000,000	1,356,950,433	158,632,350	0	158,632,350	14%	0%	14%
Grand Total.	10,621,087,033	4,968,360,668	15,589,447,701	941,916,353	104,984,689	1,046,901,042	9%	2%	11%

Source: County Treasury

Analysis of expenditure as a proportion of approved annual budget shows that Trade, Energy and Industry, County Assembly, County Public Service Management and Administration and Environment, Tourism and Climate Change have highest absorption rate of over 11%. County Public Service Board, Bungoma and Kimilili Municipalities, Housing, and Office of the County Secretary were at a low of below 3%.

2.3.4 Recurrent Expenditure

The County spent an aggregate of Kshs.941 million or 89 per cent of the total expenditure on recurrent activities. This expenditure represents 6 per cent of the annual county government's annual Budget.

The recurrent expenditure comprised of Kshs.840 million on Personnel Emoluments and Kshs. 100 million on Operations and Maintenance (O&M) expenditure. An analysis of the recurrent expenditure by the MDAs is provided in chapter three.

2.3.5 Review of MCA Sitting Allowances

The County Assembly spent Kshs. 10.3million on MCA's sitting allowances against an approved budget allocation of Kshs.65 million during the reporting period. This expenditure translated to 16 per cent of the approved MCAs sitting allowance budget, a decrease by 8 per cent attained in the first quarter of FY 2023/24 when Kshs. 11.26 million was spent against an allocation of Kshs. 171.8million. Table 4 shows the budgetary allocation and expenditure on MCAs and Speakers' sitting allowances in the first quarter of FY 2023/24

Table 2.4: MCAs Budget Allocation, Expenditure and Absorption Rate in the 1st three months of FY 2024/25

	Budget	Expenditure	Absorption	No. of MCA's	Average monthly sitting allowance per MCA
County	(Kshs.)	(Kshs.)	(%)		(Kshs.)
	A	B	C=B/A*100	D	E=B/D/3
Bungoma	65,528,285	10,354,567	16	63	54,786

Source: County Treasury

3. FINANCIAL ANALYSIS OF COUNTY BUDGET IMPLEMENTATION FOR THREE MONTHS FY 2024/25

3.1 Introduction

This chapter presents a financial analysis of aggregated county budget implementation for FY 2024/25.

3.1.1 Overview of FY 2024/25 Budget

The County's approved budget for the FY 2024/25 is Kshs.15.58 billion, comprising Kshs.4.96 billion (32 per cent) and Kshs. 10.62 billion (68 per cent) allocation for development and recurrent programmes respectively. The approved budget estimates represented an increase of 7.0 per cent compared to the previous financial year when the approved budget was Kshs.14.45 billion and comprised of Kshs.4.48 billion towards development expenditure and Kshs.9.97 billion for recurrent expenditure.

To finance the budget, the County expects to receive Kshs.11.54 billion (74.0 per cent) as the equitable share of revenue raised nationally, Kshs.1.79 billion (11.5 per cent) as additional allocations/conditional grants and generate Kshs.2.26 billion (14.5 per cent) as gross own source revenue. The own source revenue includes Kshs.1.06 billion (6.8 per cent) as ordinary Appropriations-in-Aid (A-I-A), and, Kshs.1.19 billion (7.6 per cent) as ordinary own-source revenue. A breakdown of the additional allocations/conditional grants is provided in Table 3.1.

3.1.2 Revenue Performance

In the first three months of FY 2024/25, the County received Kshs. 1.83 billion as the equitable share of the revenue raised nationally, Kshs.54 million as conditional grants from national government, 11 million from development partners, and raised Kshs. 189 million as own-source revenue (OSR). The raised OSR includes Kshs. 125 million as ordinary A-I-A and Kshs. 64 million as ordinary OSR. The total funds available for budget implementation during the period amounted to Kshs.2.08 billion, as shown in Table 3.1.

Table 3.1: Revenue Performance in the First Quarter of FY 2024/25

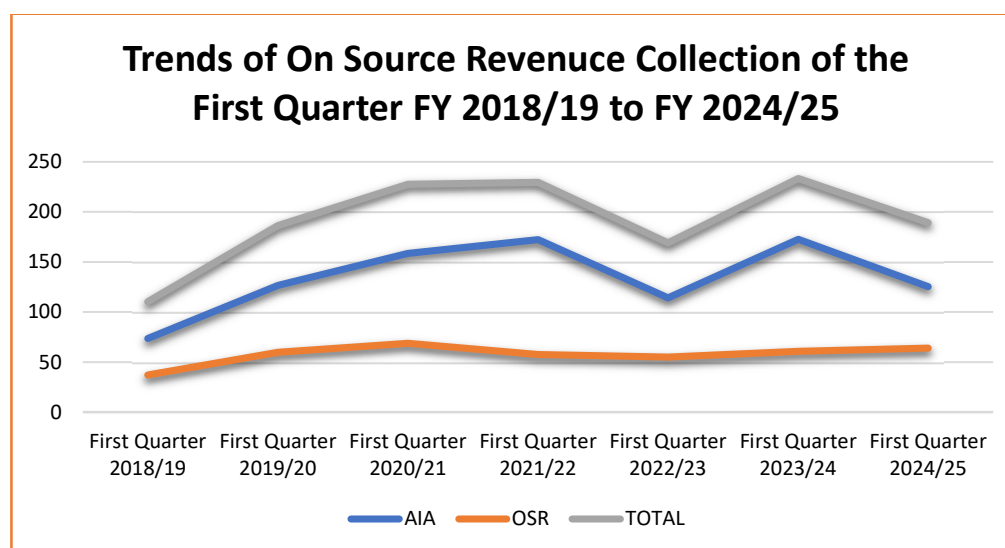
No	Revenue Stream	Annual Targeted Revenue (Kshs.)	Actual Revenue (Kshs.)	Actual receipt % Annual allocation
1	Total Equitable share	11,543,041,769	1,833,477,295	16%
	Exchequer (Transfer from the central government)	11,543,041,769	1,833,477,295	16%
2	Conditional Grant- National Government:	487,904,999	-	
	SHIF Reimbursement	105,600,000	-	
	UNFPA	7,400,000	-	
	Community Health Promoters	107,400,000	-	
	Rural Electrification and Renewable Energy Corporation (REREC)	45,000,000	-	
	Kenya Livestock Commercialization Project (KELCLOP)	37,950,000	-	
	Roads: I) Fuel Levy Fund	184,554,999	-	
3	Conditional Grants- Development Partners:	1,301,608,119	64,131,579	5%
	UNICEF	1,571,000	-	

No	Revenue Stream	Annual Targeted Revenue (Kshs.)	Actual Revenue (Kshs.)	Actual receipt % Annual allocation
	Danish International Development Agency (DANIDA)	13,698,750	-	
	National Agricultural Value Chain Development Project (NAVCDP)	151,515,152	-	
	Kenya Devolution Support Programme- Level 1	37,500,000	-	
	Lands: I) Urban Support Programme(Development)	100,434,139	-	
	II) Urban Support Programme (Recurrent)	35,000,000	-	
	III) KISP II (Kenya Informal Settlement Improvement Project)	297,400,190	-	
	Finance Locally Led Climate Action Program (FLLOCA)- Water	11,000,000	11,000,000	100%
	Industrial Park		54,131,579	
	Climate change grant	153,488,888	-	
	Water and Natural Resources I) WATER KOICA	500,000,000	-	
5	Local generated Revenue	1,193,245,421	64,096,714	5%
6	Aids in Appropriation	1,063,647,395	125,180,613	12%
	Health	1,063,647,395	125,180,613	12%
	Total	15,589,447,703	2,086,886,201	13%

Source: County Treasury

Figure shows the trend in own-source revenue collection from the first quarter of FY 2018/19 to the FY 2024/25.

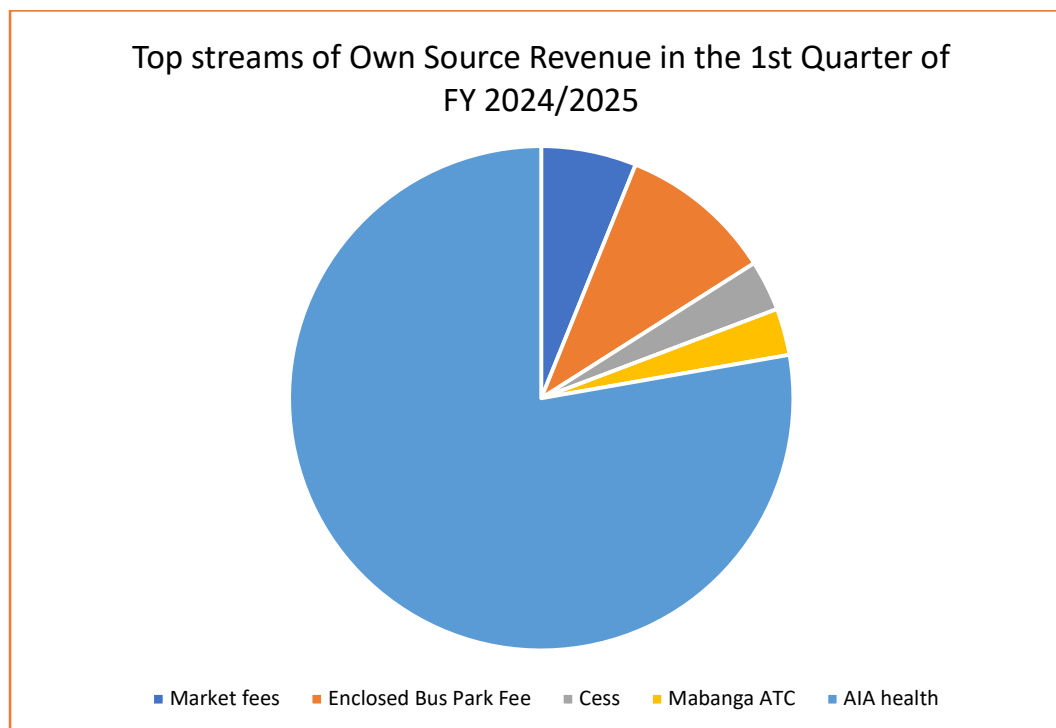
Figure 1: Trend in Own-Source Revenue Collection from the First Quarter of FY 2018/19 to the First Quarter of FY 2024/25



Source: County Treasury

In the first quarter of FY 2024/25, the County generated a total of Kshs.189.27 million from its sources of revenue inclusive of local revenue and ordinary AIA. This amount represented a decrease of 18 per cent compared to Kshs.233.19 million realised in a similar period in FY 2023/24 and was 16 per cent of the annual target and 9 per cent of the equitable revenue share disbursed during the period. The revenue streams which contributed the highest OSR receipts are shown in Figure 2.

Figure 2: Top Streams of Own Source Revenue in the First Quarter of FY 2024/25



Source: County Treasury

The highest revenue stream of Kshs.125 million was from A.I.A (Health), contributing to 65 per cent of the total OSR receipts during the reporting period.

3.1.3 Exchequer Issues

The Controller of Budget approved withdrawals of Kshs.1.04 billion from the CRF account during the reporting period which comprised Kshs.104 million (10 per cent) for development programmes and Kshs.942 million (90 per cent) for recurrent programmes. Analysis of the recurrent exchequers released in the first quarter of FY 2024/25 indicates that Kshs.840 million was released towards Employee Compensation, and Kshs.100 million was for Operations and Maintenance expenditure.

3.1.4 Borrowing by the County

The County has a short-term arrangement with the Kenya Commercial Bank, Bungoma Branch, to facilitate salary payments to avoid any delay in paying salaries. As of 31st September 2024, the outstanding short-term facility stood at Kshs.485.38 million.

3.1.5 County Expenditure Review

The County spent Kshs.1.04 billion on development and recurrent programmes in the reporting period. The expenditure represented 99.9 per cent of the total funds released by the CoB and comprised Kshs.104 million and Kshs.941 million on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 2 per cent, while recurrent expenditure represented 8.8 per cent of the annual recurrent expenditure budget.

3.1.6 Settlement of Pending Bills

At the beginning of FY 2024/25, the County Executive reported a stock of pending bills amounting to Kshs.1.55 billion, comprising of Kshs.829 million for recurrent expenditure and Kshs.725 million for development activities. In the first quarter of FY 2024/25, there were no pending bills that were settled during the reporting period. Therefore, as of 30th September 2024, the outstanding amount was Kshs.1.55 billion. The outstanding pending bills for the County Assembly were Kshs.27.15 million as at the end of the 1st quarter of financial year 2024/25.

3.1.7 Expenditure by Economic Classification

Analysis of expenditure by economic classification indicates that the County Executive spent Kshs.758 million on employee compensation, Kshs.24.34 million on operations and maintenance, and Kshs.104.98 million on development activities. Similarly, the County Assembly spent Kshs.82.03 million on employee compensation, Kshs.76.59 million on operations and maintenance, and no amount on development activities, as shown in Table 3.2.

Table 3.2: Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Budget (Kshs.)		Expenditure (Kshs.)		Absorption (%)	
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly
Total Recurrent Expenditure	9,454,136,600	1,166,950,433	783,284,003	158,632,350	8%	20%
Compensation to Employees	6,326,673,271	505,377,748	758,940,514	82,032,489	12%	11%
Operations and Maintenance	3,127,463,329	661,572,685	24,343,489	76,599,861	1%	315%
Development Expenditure	4,778,360,669	190,000,000	104,984,689	0	2%	0%
Total	14,232,497,269	1,356,950,433	888,268,692	158,632,350	6%	18%

Source: County Treasury

3.1.8 Expenditure on Employees' Compensation

In the first three months of FY 2024/25, expenditure on employee compensation was Kshs.840 million, or 89 per cent of the available revenue which amounted to Kshs.941 million. This expenditure represented a decrease from Kshs.1.49 billion reported in a similar period in FY 2023/24. The wage bill included Kshs431 million paid to health sector employees, translating to 43.1 per cent of the total wage bill.

The County Assembly spent Kshs.10 million on committee sitting allowances for the 62 MCAs and the Speaker against the annual budget allocation of Kshs.65 million. The average monthly sitting allowance was Kshs.54786 per MCA. The County Assembly has established 24 Committees.

3.1.9 County Emergency Fund and County-Established Funds

Section 110 of the PFM Act 2012 establishes the Emergency Fund, while Section 116 of the PFM Act 2012 allows County governments to establish other public funds with approval from the County Executive Committee and the County Assembly.

The County allocated Kshs.395 million to county-established funds in FY 2024/25, constituting 2.5 per cent of the County's overall budget. Table 3.3 summarises each established Fund's budget allocation and performance during the reporting period.

Table 3.3: Performance of County Established Funds in the First Half of FY 2023/24

S/No.	Name of the Fund	Approved Budget Allocation in FY 2023/24 (Kshs.)	Exchequer Issues (Kshs.)	Actual Expenditure (Kshs.)	Submission of Financial Statements as of 31 st December 2023 (Yes/No.)
	Scholarships and Educational Benefits	255,000,000	-	-	No
	Trade Loan	30,000,000	-	-	No
	Disability Fund	5,000,000	-	-	No
	Women Fund	5,000,000	-	-	No
	Emergency Fund	100,000,000	-	-	No
Total		395,000,000	-	-	

Source: County Treasury

3.1.10 Development Expenditure

In the first quarter of FY 2024/25, the County incurred Kshs.104 million on development programmes, representing an increase of 90 per cent compared to a similar period of FY 2023/24 when the County spent Kshs.10.39 million. The table below summarises development projects with the highest expenditure in the reporting period.

Table 3.5 List of Development Projects with the Highest Expenditure

No.	Sector	Project Name	Project Location	Allocation (Kshs)	Amount paid to date (Kshs)	Disbursement (%)
1	Trade, Energy and Industrialization	Industrial park	Kamukuywa	75,500,000	40,000,000	53%
		Trade loan	45 wards	30,000,000	8,680,375	29%
2	Tourism, Forestry, Environment	Waste management	45 Wards	336,000,000	28,889,623	9%
		Climate Change Resilient Fund	45 wards	153,488,880	11,860,386	8%
3	Agriculture, Livestock, Fisheries and Co-operative Development	Kenya Livestock Commercialization project	45 wards	37,950,000	15,554,305	41%

Source: County Treasury

3.1.11 Budget Execution by Programmes and Sub-Programmes

Table 3.2 summarises the budget execution by programmes and sub-programmes in the first quarter of FY 2024/25

Table 3.2: Budget Execution by Programmes and Sub-Programmes

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OPERATIVE DEVELOPMENT							
Programme 1: General Administration, planning and support services		364,277,441	-	25,334,219	-	7%	
	S. P 1.1 Human Resource Management and Development	344,655,196		24,834,594		7%	
	S.P 1.2 Administrative and Support Services	8,922,245		499,625		6%	
	S.P 1.4 Sector Coordination	1,000,000				0%	
	S.P 1.5 Planning and financial management	2,000,000				0%	
	S.P 1.6 Monitoring, Evaluation, Communication, Learning and Reporting	1,800,000				0%	
	S.P 1.7 Weather information	1,500,000				0%	
	S.P 1.8 Leadership and Governance	1,000,000				0%	
	S.P 1.10 International, National and County Celebrations	2,000,000				0%	
	S.P 1.11 Sub- County Administrative Costs	1,400,000				0%	
Programme 2: Crop Development and Management		1,700,000	580,695,152	-	-	0%	0%
	Crop extension and training services	1,200,000				0%	
	Crop Production and Productivity (Food,		326,000,000				0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	Industrial and Horticultural Crops)						
	Agricultural Value Addition and Agro Processing		10,000,000				0%
	Food Safety	500,000				0%	
	Agribusiness, Marketing and Information Management		6,000,000				0%
	National Agricultural Value Chain Development Programme (NAVCDP)/NARIGP		151,515,152				0%
	Co-funding NAVCDP&NARIGP		5,000,000				0%
	Ward Based Projects		82,180,000				0%
Programme 3: Irrigation and Drainage Development and Management		250,000	12,500,000	-	-	0%	0%
	Household Irrigation Technologies	250,000				0%	
	Agricultural Water Storage and Management		12,500,000				0%
Programme 4: Livestock Development and Management		10,500,000	57,143,050	-	15,554,305	0%	27%
	Livestock and Veterinary extension and training services	3,000,000				0%	
	Food safety and quality control	7,500,000	4,342,672			0%	0%
	Pending Bill		6,350,378				0%
	Desease and Vector Control		5,000,000				0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	Animal Breeding		3,500,000				0%
	Kenya Livestock Commercialization Project (KeLCoP)		37,950,000		15,554,305		41%
Programme 5: Fisheries Development and Management		350,000	4,700,000	-	-	0%	0%
	Fisheries extension and training services	350,000				0%	
	Fisheries Production and Productivity		4,700,000				0%
Programme 6: Agricultural Institutions Development and Management		-	14,907,100				0%
	Development and Management of Mabanga Agricultural Training Centre (ATC)		3,619,600				0%
	Development and Management of Mabanga Agricultural Mechanization Centre (AMC)		3,287,500				0%
	Development and Management of Chwele Fish Farm (CFF)		8,000,000				0%
Programme 7: Cooperatives Development and Management		6,500,000	7,825,079			0%	0%
	Cooperative governance, advisory and training services	4,500,000				0%	
	Pending bills		3,825,079				0%
	Cooperative infrastructural/financial support services		4,000,000				0%
	Cooperative audit services	2,000,000				0%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
GRAND TOTALS		383,577,441	677,770,381	25,334,219	15,554,305	7%	2%
PUBLIC ADMINISTRATION							
Programme 1: General Administration, Planning and Support Services		570,284,296	-	69,713,427	-	12%	
	SP 1: Administration services	70,031,635	-	50,000	-	0%	
	SP 2: Human resource management and development	223,073,211	-	69,663,427	-	31%	
	SP 3: Security and cleaning services	67,179,450	-	-	-	0%	
	SP 4: Medical insurance	200,000,000	-	-	-	0%	
	SP 5: Information Communication Technology	10,000,000	-	-	-	0%	
Programme 2: Stakeholder Engagement, Civic Education and outreach services		18,000,000	-	-	-	0%	
	SP 1: Civic education	7,000,000	-	-	-	0%	
	SP 2: Public participation	1,000,000	-	-	-	0%	
	SP 3: Commemoration of National events	10,000,000	-	-	-	0%	
Programme 3: Service delivery and organizational transformation		37,500,000	14,191,092	-	-	0%	0%
	Sp3.1 Service Delivery and Organizational Transformation	-	14,191,092	-	-		0%
	Sp3.2 Kenya Devolution Support Programme	37,500,000	-			0%	
Total Expenditure		625,784,296	14,191,092	69,713,427	-	11%	0%
					-		
OFFICE OF THE COUNTY SECRETARY AND HEAD OF PUBLIC SERVICE							

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
General administration ,planning and surpport services	SP 1: Administration services	52,832,404		275,600		1%	
Pending bills for legal Dues/fees,Arbitration and Compensatio payments	legal Dues	20,868,444		-		0%	
TOTAL		73,700,848	-	275,600	-	0%	
Governors & Deputy Governors							
Programme 1: General Administration, Planning and Support Services		661,800,252	-	43,688,764	-	7%	
	Sp1.1:Employee Compensation	531,452,303		42,540,363		8%	
	SP 2: Aministrative costs	130,347,949		1,148,401		1%	
Programme 2: Governance and public relations		100,500,828	-	-	-	0%	
	SP 1: County strategic management	32,857,599				0%	
	SP 2: Leadership and governance	26,595,728				0%	
	SP 6: Special programme	41,047,501				0%	
Total Expenditure		762,301,080	-	43,688,764	-	6%	
Health And Sanitation							
PROGRAMME 1: General Administration Planning and Support Services		3,032,940,320	146,320,159	431,159,629	-	14%	0%
	SP 1. 1 Health Administrative and support services	153,366,917		137,600		0%	
	SP 1. 2. Leadership and Governance.	7,735,361				0%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP 1. 6 Human resource management	2,871,838,042		431,022,029		15%	
	SP 1. 7 Infrastructural development		146,320,159				0%
Programme 2: Preventive and Promotive		1,252,783,364	10,429,894	-	-	0%	0%
	SP 2.1 Communicable and Non-communicable disease control	20,000,000				0%	
	SP 2.2 Community health strategy	5,600,000				0%	
	SP 2.3 Health promotion	3,000,000				0%	
	SP 2.6 Reproductive, Maternal, Newborn, Child, And Adolescent Health.	5,000,000				0%	
	SP 2.7 public health and sanitation		10,429,894				0%
	Specialized materials and supplies	49,935,963				0%	
	Hospital Facilities	1,169,247,401				0%	
TOTAL		4,285,723,684	156,750,053	431,159,629	-	10%	0%
Roads & Public Works.							
Programme 1: General Administration, Planning, and Support Services		129,135,678	-	6,859,436	-	5%	
	SP1.1: Human Resource Management	88,265,741		6,721,836		8%	
	SP1.3: Administration Services	29,107,726		137,600		0%	
	SP1.4: Financial Services, Planning and Stewardship	11,762,211				0%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
Programme 2: Transport Infrastructure Development and Management			1,226,748,613	-	-		0%
	SP2.1: Construction of Roads Bridges and Drainage Works		1,003,702,720				0%
	SP2.3: Rehabilitation of Roads, Bridges and Drainage Works RMLF		184,554,999				0%
	Pending Bill		38,490,894				0%
TOTAL		129,135,678	1,226,748,613	6,859,436	-	5%	0%
Environment, Tourism and Climate Change							
Programme 1: General Administration Planning and support Services		45,166,837	-	2,872,708	-	6%	
	SP. Human Resources Management	39,864,336		2,872,708		7%	
	Sp. Planning and support services	5,302,501				0%	
Programme 2: Protection and conservation of the environment			339,099,777	-	28,889,623		9%
	SP. Dumpsite Management		3,099,777				0%
	SP. Waste management and control		336,000,000		28,889,623		9%
Programme3: climate change coordination and management		22,000,000	233,488,888	5,240,145	11,860,386	24%	5%
	Sp. Climate change resilience investment grant		153,488,888		11,860,386		8%
	Sp. Climate change fund		80,000,000				0%
	SP. Climate change institutional support grant	22,000,000		5,240,145		24%	
Programme5: Tourism product promotion, marketing and branding		-	500,000	-	-		0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP. County Tourism, art and cultural festival	-	500,000				0%
Grand Totals		67,166,837	573,088,665	8,112,853	40,750,009	12%	7%
Water and Natural Resources							
Programme 1: General Administration Planning and support Services		55,513,691	-	3,668,945	-	7%	
	SP. Human Resources Management	46,092,640		3,531,345		8%	
	Sp. Planning and support services	9,421,051		137,600		1%	
Programme 2: Water and Sanitation development and management		20,000,000	680,889,689	-		0%	0%
	SP. Borehole development		26,087,637				0%
	SP. KOICA counterpart funding	20,000,000				0%	
	KOICA Grant		500,000,000				0%
	Ward based projects		144,100,000				0%
	Pending bills water projects		10,702,052				0%
Grand Total		75,513,691	680,889,689	3,668,945	-	5%	0%
Finance and Economic Planning							
Programme 1: General Administration, Planning and Support Services		947,123,564	-	80,321,166	-	8%	
	SP:Human Resource Management and Development	803,372,744		68,964,821		9%	
	SP: Leadership and Governance	13,471,420				0%	
	SP: Administration support services	118,150,197		11,356,345		10%	
	SP: Staff training and Development	12,129,203				0%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
Programme 2: County Planning Management		76,290,656	-	3,023,640	-	4%	
	SP: Economic Policy and County Planning Services	19,400,764		290,650		1%	
	SP: Budgeting	36,465,600		2,595,390		7%	
	SP: Monitoring and Evaluation	10,424,292				0%	
	SP: Statistics	10,000,000		137,600		1%	
Programme 3: County Financial Service Management		91,665,812	-	4,212,435	-	5%	
	SP: Revenue Mobilization	40,192,006		1,393,235		3%	
	SP: Accounting Services	18,335,192		2,517,600		14%	
	SP: Audit Services	16,614,467		301,600		2%	
	SP: Supply Chain Services	16,524,147				0%	
Programme 4: Service Delivery and Organizational transformation		24,290,307	155,718,949	1,922,025	-	8%	0%
	SP: Special Coordination Unit	24,290,307		1,922,025		8%	
	SP: Emergency Fund		100,000,000				0%
	ICT Development		37,467,365				0%
	Health Management System		18,251,584				0%
Total		1,139,370,339	155,718,949	89,479,266	-	8%	0%
Education and Vocational Training							
Programme 1: General Administration, Planning and Support Services		1,207,031,111	-	223,713,073	-	19%	
	SP:Human Resource Management and Development	1,197,255,254		94,888,473		8%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP: Administrative and Support Services	9,775,857		128,824,600		1318%	
Programme 2: Education improvement support services		255,000,000	-	-	-	0%	
	SP: Bursary and scholarship support program	225,000,000				0%	
	SP: School feeding initiative	30,000,000				0%	
Programme 3: Early Childhood Development Education		-	121,150,000	-	-		0%
	SP: Educational materials and library supplies		23,000,000				0%
	SP: Infrastructure development		98,150,000				0%
Programme 4: Vocational Trainig and Development		8,500,000	40,000,000	-	-	0%	0%
	SP: Administration support services	8,500,000				0%	
	SP: Tutition support initiative		15,000,000				0%
	SP: Infrastructure development		25,000,000				0%
Total		1,470,531,111	161,150,000	223,713,073	-	15%	0%
County Public Service Board							
Programme 1: General Administration, Planning and Support Services		29,029,696	16,018,306	1,698,680	-	6%	0%
	SP: Administrative services	29,029,696		1,698,680		6%	
	SP: Infrastructure development		16,018,306				0%
Programme 2: Human Resource Management and Development		15,103,417	-	-	-	0%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP: Personnel remuneration	11,712,720				0%	
	SP: Human Resource Development	3,390,697				0%	
Programme 3: Governance and National values		5,777,011	-	-	-	0%	
	SP: Quality Assurance	2,060,441				0%	
	SP: Ethics governors and national	3,716,570				0%	
Total		49,910,124	16,018,306	1,698,680	-	3%	0%
Trade, Energy and Industrialization							
Programme 1: General Administration, Planning and Support Services		88,614,649	-	2,577,905	-	3%	
	SP: Human Resource Development and Management	23,422,236		2,440,305		10%	
	SP: Administrative, Planning and Support Services	65,192,413		137,600		0%	
Programme 2: Trade and Enterprise Development		-	30,000,000	-	8,680,375		29%
	SP: Business Loan		30,000,000		8,680,375		29%
Programme 3: Market Infrastructure Development and Management		-	153,384,331	-	-		0%
	SP 3.1. Market Infrastructure		80,000,000				0%
	SP 3.2. Ward Based Projects		59,467,280				0%
	SP 3.3. Supplier Credit		13,917,051				0%
Programme 4: Energy Development and Management		-	65,033,314	-	-		0%
	SP: Energy access		20,033,314				0%
	REREC		45,000,000				0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
Programme 5: Industrial Investment and Development		-	80,000,000	-	40,000,000		50%
	SP: Industrial Development		80,000,000		40,000,000		50%
Total		88,614,649	328,417,645	2,577,905	48,680,375	3%	15%
Gender and Culture							
Programme 1: General Administration, Planning and Support Services		68,620,355	-	3,729,027	-	5%	
	SP: Human Resource Development and Management	51,289,428		3,608,227		7%	
	SP: Administrative, Planning and Support Services	17,330,927		120,800		1%	
Programme 2: Cultural Development and Management		4,000,000	18,164,663	-	-	0%	0%
	Communities Cultural festivals	2,000,000				0%	
	Liquor and licensing enforcement exercise	2,000,000				0%	
	Infrastructure development		18,164,663				0%
Programme 3: Gender Equality And Empowerment Of Vulnerable Groups		2,500,000	10,000,000	-	-	0%	0%
	Gender and disability mainstreaming	2,500,000				0%	
	Women Empowerment Fund		5,000,000				0%
	Disability Empowerment Fund		5,000,000				0%
Total		75,120,355	28,164,663	3,729,027	-	5%	0%
Youth and Sports							
Programme 1: General Administration, Planning and Support Services		23,007,518	-	1,003,789	-	4%	

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP: Human Resource Development and Management	13,151,163		864,089		7%	
	SP: Administrative, Planning and Support Services	9,856,355		139,700		1%	
Programme 2: Sports facility development and management		-	48,817,068	-	-		0%
	Infrastructure development		48,817,068				0%
Programme 3: Youth Talent Development and management		-	-	-	-		
	Youth Empowerment fund		-				
Total		23,007,518	48,817,068	1,003,789	-	4%	0%
Lands, Urban and Physical Planning							
Programme 1: General Administration, Planning and Support Services		53,375,232	-	2,247,053	-	4%	
	SP: Human Resource Development and Management	33,253,927		2,111,953		6%	
	SP: Administrative, Planning and Support Services	20,121,305		135,100		1%	
Programme 2: Land Development and Management		-	126,790,044	-	-		0%
	SP: Land acquisition		95,000,000				0%
	SP: Physical and Land Use Plans		2,269,231				0%
	SP: Auction ring		2,500,000				0%
	Supplier Credit		1,220,813				0%
	Ward based projects		25,800,000				0%
Total		53,375,232	126,790,044	2,247,053	-	4%	0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
Housing							
Programme 1: General Administration, Planning and Support Services		52,655,527	-	974,852	-	2%	
	SP: Human Resource Development and Management	11,414,925		839,752		7%	
	SP: Administrative, Planning and Support Services	3,740,602		135,100		4%	
	KUSP UIG	37,500,000				0%	
Programme 2: Housing development and Human Settlement		-	427,299,481	-	-		0%
	SP: Housing Infrastructural Development		129,899,311				0%
	SP: Housing Financing Services		297,400,170				0%
Total		52,655,527	427,299,481	974,852	-	2%	0%
Bungoma Municipality							
Programme 1: General Administration, Planning and Support Services		55,949,973	-	1,676,783	-	3%	
	SP: Human Resource Development and Management	20,242,043		1,676,783		8%	
	SP: Administrative, Planning and Support Services	26,957,930				0%	
	KUSP UIG	8,750,000				0%	
Programme 2: Urban Land Use, Policy and Planning		-	16,000,000	-	-		0%
	SP: Urban Land Planning		16,000,000				0%
Programme 3: Urban Infrastructure Development and Management		-	80,565,924	-	-		0%

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP: Urban Transport and Infrastructure Development		80,565,924				0%
Programme 4: Urban Environment, Health, Water, Culture and Human Social Services		-	2,500,000	-	-		0%
	SP: Urban Environment and Public Health Services		2,500,000				0%
Total		55,949,973	99,065,924	1,676,783	-	3%	0%
Kimilili Municipality							
Programme 1: General Administration, Planning and Support Services		42,698,217	-	1,297,847	-	3%	
	SP: Human Resource Development and Management	16,317,362		1,297,847		8%	
	SP: Administrative, Planning and Support Services	17,630,855				0%	
	KUSP UIG	8,750,000				0%	
Programme 2: Urban Infrastructure Development and management		-	57,980,097	-	-		0%
	SP: Infrastructure, Housing and public works		57,980,097				0%
Total		42,698,217	57,980,097	1,297,847	-	3%	0%
County Assembly							
Programme 1: Legislation, oversight and representation							
	SP 1.1 Legislative services	9,486,000		-		0	
	SP 1.2 Oversight services	133,174,590		-		0	
	SP 1.3 Representation services	7,305,000		-		0	
Programme 2: General Administration, Planning and Support Services							

Programme	Sub-Programme	Approved Estimates FY 2024/25		Actual Expenditure as of 30th September 2024		Absorption Rate (%)	
		Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
	SP 2.1 Human resource management and development	681,606,228		82,032,489		12	
	SP 2.2 ICT and Public Communication Services	17,800,000		-		0	
	SP 2.3 Management periodic evaluation on emerging policy & Development	86,263,112		74,615,839		86	
	SP.2.4 Infrastructural development	-	190,000,000	-	0		0
	S.P 2.5 Workplace Efficiency and Productivity	205,709,070		1,984,022		1	
Total		1,166,950,433	190,000,000	158,632,350	0	14	0
Grand Total		10,621,087,033	4,968,360,669	1,075,843,498	104,984,689	10.2	2.10

Source: County Treasury

3.1.12 Key Observations and Recommendations

The following challenges which hampered effective budget implementation;

- (i) The underperformance of own-source revenue
- (ii) High level of pending bills which amounted to Kshs.1.55 billion as at end of 1st quarter
- (iii) Low absorption of development funds.

The County should implement the following recommendations to improve budget execution:

1. The County should develop and implement strategies to enhance its own-source revenue performance to ensure the approved budget is fully financed.
2. The County leadership should address the pending bills situation to ensure genuine bills are paid promptly in the remaining financial year.
3. The County should identify and address issues causing delays in implementing development programmes and projects.

