

COUNTY GOVERNMENT OF SIAYA



Budget Implementation Report

For 1st Quarter Ending September 30, 2024

1: ANALYSIS OF RECEIPTS AND EXCHEQUER ISSUES

1.0 Introduction

This chapter summarises the receipts into the County Revenue Fund (CRF) in the first quarter of financial year 2024/25. The exchequer issues comprise disbursements for recurrent and development expenditures and other transfers to government entities.

1.1 Analysis of Revenue Estimates and Receipts into CRF

The County Revenue Fund is a creation of article 206 (1) of the Constitution of Kenya, 2010 and is the account into which all monies raised or received by or on behalf of the County is deposited.

1.2 Revenue Estimates for the financial year 2024/25

The approved revenue estimates for financial year 2024/25 were **Kshs.10,948,133,478** comprising **Kshs.7,545,380,269** as equitable share **Kshs.698,185,561** as conditional grants, **Kshs.1,044,061,306** as own source revenue and **Kshs.1,660,506,342** as balance brought forward from FY 2023/24.

Table1 below summarizes the analysis of revenue streams from the budget.

Table 1: Analysis of revenues in the budget for FY 2024/25

Revenue Stream	Budget Estimates-FY 2024/25	% of Budget
Equitable Share	7,545,380,269	68.92
Own Source Revenue	1,044,061,306	9.54
Conditional Grant	698,185,561	6.38
Balance Brought Forward from FY 2023/24	1,660,506,342	15.16
Total	10,948,133,478	100.00

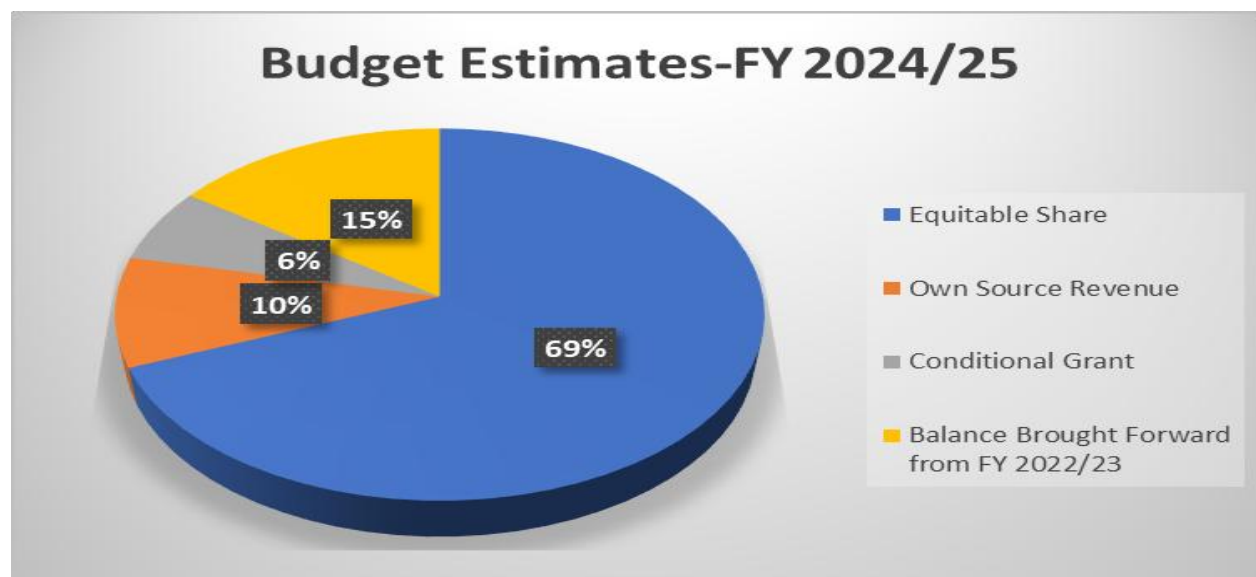


Figure 1: Analysis of revenue in budget estimates for FY 2024/25

1.3 Receipts into County Revenue Fund (CRF)

In the period ending 30th September 2024, the projected cumulative receipt was Kshs.3,982,413,126 comprising Kshs.1,886,345,067.25 as equitable share, Kshs.174,546,390.25 as grants, Kshs.261,015,327 as OSR and Kshs.1,660,506,342 as balances brought forward from FY 2023/24. However, the total receipts within the period were Kshs.3,046,321,556.90 resulting into a fiscal gap of Kshs.3,609,301,951. This gap affected the implementation of the planned programmes and projects in Q1

The gap is attributed to arrears in exchequer issues for equitable share and low disbursement of grants by National Treasury. In addition, the inability of the County Government to meet its own source revenue targets as represented in table 2 below and table 3 below shows the Year To Date (YTD) performance.

Table 2: Expected against actual receipts in Quarter Year (Period Ending 30th September 2024)

Revenue Source	Quater Year Budget=A	Quater Year Receipts=B	Quater Year Variance=(B-A)
Equitable Share	1,886,345,067.25	1,198,398,213	-687,946,854
Conditional Grants	174,546,390.25	54,131,578.90	-120,414,811
OSR	261,015,327	133,285,423	-127,729,904
Bal. B/F	1,660,506,342	1,660,506,342	0
Total	6,055,517,773	2,446,215,822	-936,091,570

Source: County Treasury (Q2 Financial Statement)

Table 3: YTD in receipts

Revenue Source	Q1 Receipts	YTD (in %)
Equitable Share	1,198,398,213	86.47604674
Conditional Grants	54,131,578.90	3.906118097
OSR	133,285,423	9.617835161
Total	1,385,815,215	100

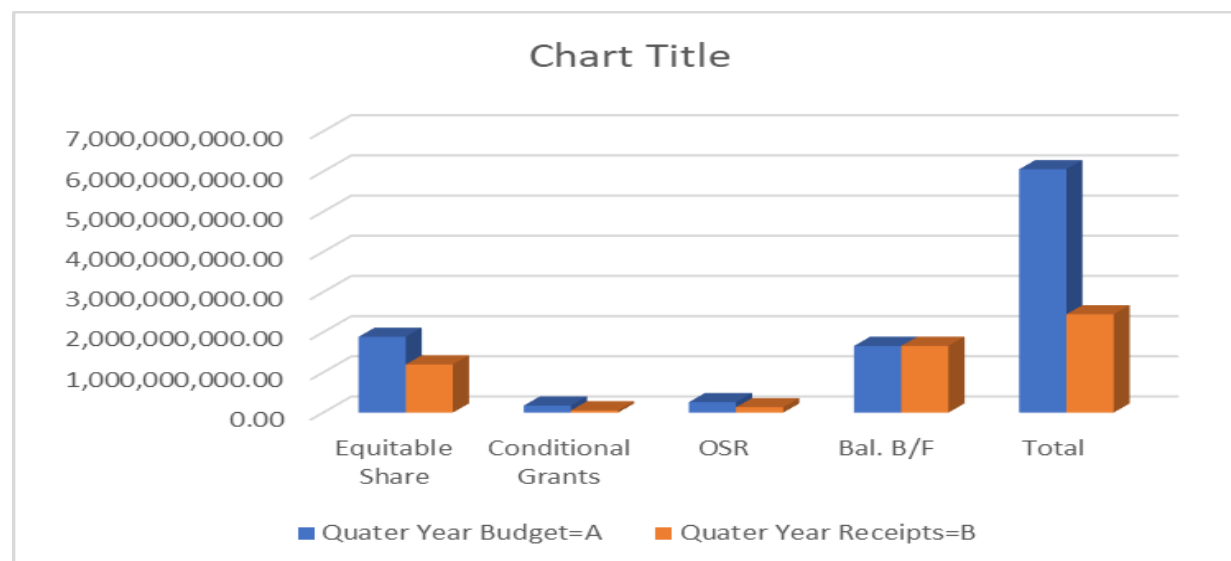


Figure 2: Analysis of expected against actual receipts as at 30th September 2024

1.4 Equitable share in Quater Year (In the period ending 30th September 2024)

The County Government had projected total receipt of **Kshs.3,546,851,409** as at 30th September 2024 comprising Kshs.1,886,345,067.25 for equitable share and Kshs.1,660,506,342 as roll-overs from FY 2023/24. However, as at end of Q1 the County Government had cumulative receipts of **Kshs.2,858,904,555** translating to 80.6 percent of expected receipts. These results into a non-disbursement of **Kshs.687,946,854.25**. This non disbursement is attributed to delayed disbursement from National Treasury. This affected the implementation of the planned programmes and projects in Q1 and is likely to pile pressure on implementation plan on Q2, Q3 and Q4 projects. The delayed exchequer issue is likely to lower the County absorption rate subsequently creating huge roll-overs into the subsequent financial year. Table 4 below captures the summary of this trend.

1.5 Own Source Revenue in Quater Year (In the period ending 30th September 2024)

The County Government had projected total receipt of **Kshs.261,015,327** as at 30th September 2024, however, the County Government realized 51 percent of targeted OSR translating to collection of Kshs.133,285,423.

Notable streams that performed well include slaughter fees (53 percent), Sugar cess (60 percent), Veterinary services (81 percent), survey fee (87 percent) among others as per table 5 below.

Table 4: Summary of OSR performance

DEPARTMENT	IFMIS CODE	REVENUE STREAM	FY 2024/2025 Estimates	OSR quater year Projection-A	OSR quater year Actuals-B	% Performance	Variance=(B-A)
Trade, Enterprise and Industrialization	1520201	SINGLE BUSINESS PERMITS	192,213,664	48,053,416.00	4,939,057.50	10.2	-43,114,359
	1550100	MARKET FEES	95,800,000	23,950,000.00	8,876,009.00	37.1	-15,073,991
	1550221	BODA BODA	14,026,766	3,506,691.50	-	-	-3,506,692
		WEIGHTS & MEASURES	3,000,000	750,000.00	130,900.00	17.45	-619,100
		TRADE INCOME (AUDIT FEE)	749,250	187,312.50	13,860.00	7.4	-173,453
	1560104	ADVERTISE MENT CHARGES	20,000,000	5,000,000.00	538,660.00	10.78	-4,461,340
		LIQUOR LICENSING	34,000,000	8,500,000.00	-	-	-8,500,000
		Sub Total	359,789,680.00	89,947,420.00	14,498,486.50	16.1	-89947420
Public Works, Energy, Roads and Transport	1550201	BUS PARK	38,998,234	9,749,558.50	3,523,600.00	36.1	-6,225,959
		PLAN APPROVAL (Engineers)	21,000,000	5,250,000.00	843,917.00	16.1	-4,406,083
		GRADER	13,200,000	3,300,000.00	-	-	-3,300,000
		FIRE INSPECTION	4,000,000	1,000,000.00	-	-	-1,000,000
		PARKING	13,000,000	3,250,000.00	882,025.00	27.1	-2,367,975

DEPARTMENT	IFMIS CODE	REVENUE STREAM	FY 2024/2025 Estimates	OSR quarter year Projection-A	OSR quarter year Actuals-B	% Performance	Variance=(B-A)
	1560201	COUNTY HALL HIRE	140,000	35,000.00	2,000.00	5.7	-33,000
		Sub Total	90,338,234.00	22,584,558.50	5,251,542.00	23.3	-17,333,017
Agriculture, Irrigation, Food Security, Livestock and Fisheries	1520300	FISH CESS	10,000,000	2,500,000.00	674,359.00	26.97436	-1,825,641
	1580401	SLAUGHTER FEES	1,473,200	368,300.00	195,200.00	53.00027152	-173,100
	1510201	CILOR	20,000,000	5,000,000.00	-	0	-5,000,000
		SUGAR CESS	11,000,000	2,750,000.00	1,656,371.00	60.23167273	-1,093,629
		AGRICULTURE INCOME	5,380,290	1,345,072.50	-	0	-1,345,073
		VETERINARY SERVICES	4,395,235	1,098,808.75	896,210.00	81.56196426	-202,599
	1520321	CATTLE AUCTION	5,000,000	1,250,000.00	403,590.00	32.2872	-846,410
		TRACTOR HIRE SERVICES (T.H.S)	17,500,000	4,375,000.00	-	0	-4,375,000
		SALES OF SEED	8,334,400	2,083,600.00	4,200.00	0.201574199	-2,079,400
		SALES OF FERTILIZER	16,665,600	4,166,400.00	-	0	-4,166,400
		Sub Total	99,748,725.00	24,937,181.25	3,829,930.00	36.41739581	-15,855,709
Lands, Physical Planning, Housing and Urban Development	1590111	PLAN APPROVAL (Physical Planning)	15,000,000	3,750,000.00	759,762.00	20.26032	-2,990,238
	1530103	TRANSFER FEE	2,600,000	650,000.00	77,700.00	11.95384615	-572,300
	1520101	PLOT RATES	13,000,000	3,250,000.00	381,618.00	11.74209231	-2,868,382
	1560101	PLOT RENT	14,155,575	3,538,893.75	1,413,922.00	39.95378499	-2,124,972
	1520501	GROUND RENT	1,000,000	250,000.00	88,480.00	35.392	-161,520
		HOUSE RENT	4,600,000	1,150,000.00	-	0	-1,150,000
		KIOSK/STALL RENT	13,025,075	3,256,268.75	1,176,701.00	36.1364829	-2,079,568
	1580241	BURIAL FEE & SYNAGE	100,000	25,000.00	-	0	-25,000
		CLEARANCE CERTIFICATE	1,500,000	375,000.00	44,000.00	11.73333333	-331,000
		SITE FEE	1,303,000	325,750.00	7,000.00	2.148887183	-318,750
		SURVEY FEE	1,500,000	375,000.00	327,207.00	87.2552	-47,793
		PRIVATE ESTATE FEE	130,000	32,500.00	-	0	-32,500
		Sub Total	67,913,650.00	16,978,412.50	4,276,390.00	25.18721936	-12,702,023
Health	1580211	HOSPITAL REVENUE	283,954,579	70,988,644.75	57,339,396.00	80.77263089	-13,649,249
	158010	PUBLIC	8,601,598	2,150,399.5	1,269,240.00	59.023451	-881,160

DEPARTMENT	IFMIS CODE	REVENUE STREAM	FY 2024/2025 Estimates	OSR quater year Projection-A	OSR quater year Actuals-B	% Performance	Variance=(B-A)	
	0	HEALTH		0		22		
		LINDA MAMA	63,849,777	15,962,444.25	-	0	-15,962,444	
		NHIF/CAPITATION	52,866,654	13,216,663.50	46,191,027.00	349.4908303	32,974,364	
		BURIAL FEE		-		0	0	
		Sub Total	409,272,608.00	102,318,152.00	104,799,663	102.4252891	2,481,511	
Water, Sanitation, Environment, Climate Change and Natural Resources	1580301	NEMA	3,160,909	790,227.25	71300	9.022720996	-718,927	
		ENVIRONMENT AND CONSERVATION ADMINISTRATION		-		0	0	
	1530301	SAND CESS/QUARRY	11,500,000	2,875,000.00	74100	2.577391304	-2,800,900	
		Sub Total	14,660,909.00	3,665,227.25	535,760	3.967011868	-3,519,827	
Education, Youth Affairs, Gender and Social Services		CLEARANCE CERTIFICATE		-		0	0	
	1570101	SCHOOL FEE	337,500	84,375.00		0	-84,375	
		Sub Total	337,500	84,375.00		0	-84,375	
Governance Administration and ICT		MISCELLANEOUS FEES		-	484011.5	0	484,012	
		IMPOUNDING FEE	2,000,000	500,000.00		0	-500,000	
		Sub Total	2,000,000	500,000.00	377,000	96.8023	-15,989	
Sub-Total=Own Source Revenue(OSR)			760,000,000	190,000,000	49,419,400	53.1	-122,478,362	-122,478,362

1.6 Conditional Grants in quater Year (In the period ending 30th September 2024)

In the period under review, the County Government had projected to receive Kshs.174,546,390.25 however only ksh 54,131,578.90 was disbursed by the National Government. Such grants with co-fundings are: County Aggregated and Industrial Parks (CAIP), Kenya Climate Smart Agricultural Project (KCSAP) and DANIDA. The low disbursement had a negative effect on the planned activities which were to be financed by such grants affecting the annual departmental workplans which had integrated the donour funding.

2: ANALYSIS OF EXPENDITURE

2.0 Introduction

This chapter summarises the expenditures for both the County Executive and Assembly. These expenditures comprised recurrent and development expenditures.

2.1 Overall Expenditure

Total cumulative expenditure for the period ending 30th September 2024 amounted to **Kshs.761,934,044.16** comprised recurrent expenditure of **Kshs.547,900,732.75** and development of **Kshs.214,033,311.41**

2.3 Pending Bills

There were pending bills amounting to Kshs. 1,123,648,608.42. Kshs. 488,551,120.49 was for recurrent expenditure and Kshs. 635,097,487.93 was for development expenditure.

During the period under review, the County Government paid a total of Kshs. 236,243,297.72 towards pending bills resulting into pending bills of Kshs. 887,405,310.70

3.0: Recommendations

1. Improve OSR collection by activating dormant revenue streams such as Boda-Boda; fire inspection; cilor; house rent; burial fee synage; Plan approval by Public Health; Tractor Hire Services (THS) and Grader fees, strengthening enforcement of revenue raising measures and automation of revenue system.
2. Timely procurement of goods works and services to improve on absorption of funds received thereby minimizing roll-overs.
3. Fidelity in budget implementation to minimise pending bills.
4. Harmonious reports on liquor licencing.

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