

**REPUBLIC OF KENYA**



**COUNTY GOVERNMENT OF BOMET**

**COUNTY TREASURY**

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**BUDGET IMPLEMENTATION REPORT  
FOR FINANCIAL YEAR 2022/2023 (Q4)**

**JULY 2023**

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**County Executive Committee Member, Finance and Economic Planning**

County Government of Bomet,

P. O. Box 19- 20400,

BOMET, KENYA

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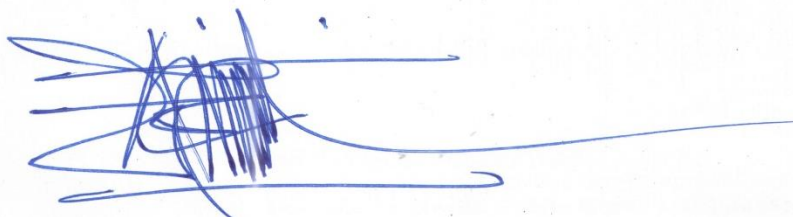
## **PREFACE**

The fourth quarter of the year report fulfils the county's obligation under section 166 of the Public finance Management Act to prepare and publish quarterly budget implementation reports. The law specifies that these reports shall contain both financial and non-financial information. This is the fourth report in the financial year 2022/2023 and presents information on budget performance by the departments at Quarter four of the of the financial year 2022-2023. Information on budget performance is presented on aggregate and on individual department performance. The report provides details about revenue, expenditure, and capital projects. The information is provided at the program and subprogram level in a format that is in consistent with the approved budget estimates.

The county approved budget for FY2022/2023 was Kshs. 8.287 billion, comprising of Kshs. 5.8 billion and Kshs. 2.4 billion allocation to recurrent and development expenditure respectively.

The total payments during the reporting period, the county spent Kshs. 1.89 billion on recurrent programs and Kshs. 1.044 billion on development activities. The overall absorption capacity was 36%.

I urge the stakeholders to actively scrutinise this report to take necessary action towards the enhancement of transparency and accountability in the management of public resources as enshrined in the constitution and PFM Act, 2012. This will go a long way in providing feedback towards efficient and effective service delivery and attainment of the County Government's objectives.



**Hon Andrew Sigei,**

**CECM-Finance, Economic Planning and ICT**

**Abbreviations**

COVID-19	Corona Virus 2019
CRF	Consolidated Revenue Fund
FY	Financial Year
ICT	Information Communication and Technology
KUSP	Kenya Urban Support Programme Kshs Kenya Shillings

## Overview of the FY 2022/23 Budget

1. The County's approved budget for FY 2022/23 is Kshs. 8.28 billion, comprising Kshs.2.4 billion (29.0 percent) and Kshs.5.8 billion (71.0 percent allocation for development and recurrent programs respectively.
2. To finance the budget, the County expects to receive Kshs. 6.7 billion (81.0 percent as the equitable share of revenue raised nationally, generate Kshs.300.0 million (4.0 percent from own sources of revenue, and a cash balance of Kshs.535 million (6 percent from FY 2021/22. The County also expects to receive Kshs.761 million (9.0 percent conditional grants, which consists of Kshs.111 million Leasing of Medical Equipment, Kshs.147 million Kenya Devolution Support Program, Kshs. 52 million Kenya Urban support Program, Kshs. 27 million Danida, 83 million IDA Kenya Climate Smart Programme, Kshs.33 million Agriculture Sector Development Support Programme (ASDSP), Kshs. 147 million FLLOCA/Climate Change and Kshs.27 million for World Bank Loan for transforming health systems for universal care project, Nutrition International Kshs. 25 million, REREC Matching Funds Kshs. 5 million, Equalization Fund for the Marginalized Kshs. 26 million and Covid 19 Response Allocation Kshs. 8.2 million.
3. In the fourth quarter of FY 2022/23, the County received Kshs. 3.4 billion as the equitable share of the revenue raised nationally, raised Kshs. 56 million as own-source revenue and Kshs.98 million from loans and grants from development partners. The total funds available for budget implementation during the period amounted to Kshs.3.533 billion which is equivalent to 43% of the total budget. This is shown Table 1 below.

**Table 1: Bomet County Revenue Performance of FY 2022/2023 (Kshs.)**

<b>COUNTY REVENUE</b>	<b>Approved First Supp. FY2022/2023</b>	<b>Actual Receipts (Kshs.)</b>	<b>Actual Receipts as Percentage of Annual Budget Allocation (%)</b>
<b>Equitable share +Local Revenue</b>	<b>7,526,387,041</b>	<b>3,434,977,640</b>	46%
Equitable share	6,691,099,118	3,379,005,055	51%
Local Revenue	300,000,000	55,972,585	19%
Balance C/F	535,287,923	0	0%
<b>Conditional Grants from National Government Revenue</b>	<b>144,884,844</b>	<b>0</b>	0%
User fees Forgone	0	0	0%
Conditional Grant - Leasing of Medical Equipment	110,638,298	0	0%

Equalization Fund for the Marginalized	26,037,510	0	0%
Covid 19 Response Allocation	8,209,036	0	0%
Road Maintenance Fuel Levy	0	0	0%
Conditional Allocation for development of youth Polytechnics	0	0	0%
<b>Conditional allocations to County Governments from Loans and Grants from Development Partners</b>	<b>616,066,614</b>	<b>98,248,019</b>	16%
World Bank Loan to for transforming health systems for universal care project	26,893,087	17,715,375	66%
Kenya Urban Support Programme	51,764,074	2,339,915	5%
KDSP (Level 1 ) B/F-Recurrent	10,485,221	0	0%
KDSP (Level 2 Grant) B/F-Development	136,263,103	0	0%
Nutritional International	25,305,950	0	0%
HSSF Danida	27,274,500	0	0%
IDA Kenya/Climate action	22,000,000	0	0%
IDA Kenya/Climate action/Development	125,000,000	11,000,000	9%
IDA Kenya Climate Smart Programme	83,323,430	0	0%
REREC Matching Funds	5,000,000	0	0%
Agriculture Sector Development Support Programme (ASDSP)	32,757,249	0	0%
IDA World Bank-Value Chain NAVCDP	70,000,000	67,192,729	96%
<b>TOTAL REVENUE</b>	<b>8,287,338,500</b>	<b>3,533,225,659</b>	<b>43%</b>

1. In the fourth quarter of FY 2022/23, the County generated a total of Kshs. 56 million as own-source revenue. This amount represented an increase of 30 percent compared to Kshs.45 million realized during a similar period in the fourth quarter of FY 2021/22 and was 3 percent of the annual target. The increase can be attributed to fact that the county economy had stabilised due to decline in adverse economic impact of the Covid-19 pandemic.
2. Exchequer Issues. The Controller of Budget approved withdrawals of Kshs. 3.4 billion from the CRF account during the reporting period. The amount was for both recurrent and development programs.
4. Overall Expenditure Review During the reporting period, the County spent Kshs. 1.89 billion on recurrent programs and 1 billion on development activities.
5. Settlement of Pending Bills. Considerable amount of pending bills were paid during the year under review.

6. Expenditure by Economic Classification. Analysis of expenditure by economic classification indicates that Kshs. 817 million was spent on employee compensation and Kshs. 1.1 billion on operations and maintenance.

**Table 2: Summary of Budget and Expenditure by Economic Classification**

<b>Expenditure Classification</b>	<b>First supplementary Budget FY2022/2023</b>	<b>4TH QRT</b>	<b>Absorption %</b>
<b>EXECUTIVE TOTAL</b>	<b>7,192,138,652</b>	<b>2,488,080,048</b>	35%
Personal emoluments	2,805,094,971	674,363,894	24%
Operation & maintenance	2,197,860,199	868,903,980	40%
Development	2,189,183,482	944,812,174	43%
<b>COUNTY ASSEMBLY</b>	<b>1,095,199,848</b>	<b>463,647,586</b>	42%
Personal emoluments	332,289,260	143,400,012	43%
Operation & maintenance	512,910,588	206,735,336	40%
Development	250,000,000	113,512,238	45%
<b>COUNTY TOTAL</b>	<b>8,287,338,500</b>	<b>2,951,727,634</b>	36%
Personal emoluments	3,137,384,231	817,763,906	26%
Operation & maintenance	2,710,770,787	1,075,639,316	40%
Development	2,439,183,482	1,058,324,412	43%
<b>Personal emoluments</b>	38%	28%	
<b>Operation &amp; maintenance</b>	33%	36%	
<b>Development</b>	29%	36%	

### **Expenditure on Personnel Emoluments**

7. Regulation 25 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015 sets a limit of the County Government's expenditure on wages and benefits at 35 percent of the County's total revenue. Expenditure on compensation to employees was 26 percent of the total budget for the financial year 2022/23 and 23 percent of the fourth quarter proportional revenue of Kshs. 3.533 billion.

## **Development Expenditure**

1There expenditure on development programs was low compared to the recurrent expenditure for the period under review.

## **Budget Performance by Department**

Analysis of expenditure by Department shows that the Department of Roads, Transport and Public works, Co-operative and Enterprise, Trade, Tourism and Industry, Administration and Youth, Gender and social services recorded the highest absorption rate of 67%, 77%, 65%, 65 and 52% percent respectively. The Public service, Executive and Agriculture recorded low absorption rate of 27%, 23& and 23 percent respectively. County Assembly had an overall absorption rate of 42% compared with County executive absorption rate of 35% as shown in Table 3 below;



**Table 3: Budget Performance by Department**

<b>Department</b>	<b>First supplementary</b>	<b>4TH Quarter</b>	<b>Absorption Rate</b>
<b>COUNTY EXECUTIVES</b>	<b>216,673,227</b>	49,276,633	23%
Personal emoluments	-	-	0%
Operation & maintenance	216,673,227	49,276,633	23%
<b>PSB</b>	<b>44,645,188</b>	20,884,273	47%
Operation & maintenance	44,645,188	20,884,273	47%
Development	-	-	0%
<b>ADMINISTRATION</b>	<b>155,015,962</b>	100,620,206	65%
Operation & maintenance	121,015,962	91,583,195	76%
Development	34,000,000	9,037,011	27%
<b>PUBLIC SERVICE</b>	<b>1,790,419,357</b>	490,541,737	27%
Personal emoluments	1,627,594,971	362,668,131	22%
Operation & maintenance	162,824,386	127,873,606	79%
Development	-	-	0%
<b>ICT</b>	<b>37,478,654</b>	14,220,222	38%
Operation & maintenance	22,478,654	12,753,858	57%
Development	15,000,000	1,466,364	10%
<b>FINANCE</b>	<b>309,000,000</b>	100,219,788	32%
Operation & maintenance	249,066,000	52,575,501	21%
Development	59,934,000	47,644,287	79%
<b>ECONOMIC PLANNING</b>	<b>289,203,371</b>	111,202,516	38%
Operation & maintenance	130,940,268	41,003,174	31%
Development	158,263,103	70,199,342	44%
<b>LANDS,HOUSING AND URBAN PLANNING</b>	<b>321,918,102</b>	106,424,203	33%
Personal emoluments	40,000,000	37,695,660	94%
Operation & maintenance	61,341,836	36,284,850	59%
Development	220,576,266	32,443,693	15%
<b>YOUTH, SPORTS, GENDER AND CULTURE</b>	<b>70,075,700</b>	36,787,475	52%
Operation & maintenance	50,575,700	36,787,475	73%
Development	19,500,000	-	0%
<b>MEDICAL SERVICES &amp; PUBLIC HEALTH</b>	<b>1,959,672,464</b>	507,602,100	26%
Personal emoluments	1,137,500,000	274,000,103	24%
Operation & maintenance	620,434,596	215,730,120	35%
Development	201,737,868	17,871,877	9%

<b>EDUCATION AND VOCATIONAL TRAINING</b>	<b>387,453,703</b>	183,006,400	47%
Operation & maintenance	241,510,870	71,514,678	30%
Development	145,942,833	111,491,722	76%
<b>WATER SANITATION AND ENVIRONMENT</b>	<b>512,451,220</b>	196,158,501	38%
Operation & maintenance	151,944,120	37,167,189	24%
Development	360,507,100	158,991,312	44%
<b>AGRICULTURE COOPERATIVES AND MARKETING</b>	<b>384,817,988</b>	86,782,601	23%
Operation & maintenance	27,437,309	19,298,337	70%
Development	357,380,679	67,484,264	19%
<b>ROADS, PUBLIC WORKS &amp; TRANSPORT</b>	<b>550,062,200</b>	366,963,190	67%
Operation & maintenance	58,712,200	41,434,315	71%
Development	491,350,000	325,528,875	66%
<b>TRADE, ENERGY, TOURISM, INDUSTRY AND INVESTMENT</b>	<b>71,739,882</b>	46,922,862	65%
Operation & maintenance	16,239,882	7,719,610	48%
Development	55,500,000	39,203,252	71%
<b>CO-OPERATIVES AND ENTERPRISE DEVELOPMENT</b>	<b>91,511,633</b>	70,467,342	77%
Operation & maintenance	22,020,000	7,017,166	32%
Development	69,491,633	63,450,176	91%
<b>EXECUTIVE TOTAL</b>	<b>7,192,138,652</b>	2,488,080,048	35%
<b>COUNTY ASSEMBLY</b>	<b>1,095,199,848</b>	463,647,586	42%
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