

# **THARAKA NITHI COUNTY GOVERNMENT**



**DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND TRADE**

## **BUDGET IMPLEMENTATION REVIEW REPORT**

**FOR THE FIRST NINE MONTHS**

**FY 2020/21**

**April, 2021**

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## **PREFACE**

I am honoured to present the first nine months County Government Budget Implementation Review Report (CBIRR) for FY 2020/21. This report presents the progress made in budget implementation by the County for the period, July 2020 to March 2021. The analyses and information presented in this report is based on financial reports submitted by various departments to the County Treasury, the approved County Government budget, and the report generated from the Integrated Financial Management Information System (IFMIS). The analyses and findings are anchored on provisions of the Constitution of Kenya 2010, the Public Finance Management (PFM) Act, 2012, and best practice in public financial management. The report also highlights the achievements and challenges encountered during the reporting period and further contains recommendations to address the challenges.

Preparation of this report has been made possible by the concerted efforts of the staff from the County departments and the County Treasury. As such, I am particularly, grateful to the staff in the Budget office and the County Treasury for their contribution towards the preparation of this report.

This report is intended to inform stakeholders, policy makers, analysts and members of the public on the status of the County budget implementation. I urge all readers to continually take interest in budget implementation, and also implore the County departments to publicly avail information on budget implementation in order to enhance accountability and openness in the use of public resources.

Dorothy I Naivasha

**CECM-FINANCE, ECONOMIC PLANNING, TRADE AND REVENUE**

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## ACRONYMS

<b>ASDSP</b>	Agriculture Sector Development Support Programme
<b>CARA</b>	County Allocation of Revenue Act
<b>CEC</b>	County Executive Committee
<b>CECM-F</b>	County Executive Committee Member Finance
<b>CRF</b>	County Revenue Fund
<b>DANIDA</b>	Danish International Development Agency
<b>EU</b>	European Union
<b>FY</b>	Financial Year
<b>ICT</b>	Information Communication Technology
<b>KDSP</b>	Kenya Devolution Support Programme
<b>KShs</b>	Kenya Shillings
<b>KUSP</b>	Kenya Urban Support Project
<b>MCA</b>	Member of County Assembly

## 1.1 Overview of the FY 2020/21 Budget

The County's approved Supplementary budget for FY 2020/21 is Kshs.5.85 billion, comprising of KShs. 2.05 billion (35.1 per cent) and Kshs.3.80 billion (64.9 per cent) allocation for development and recurrent programmes, respectively.

To finance the budget, the County expects to receive Kshs.4.26 billion (72.8 per cent) as the equitable share of revenue raised nationally, Kshs.993.16 million (17.0 per cent) as total conditional grants, generate Kshs.350 million (6.0 per cent) from own sources of revenue, and a cash balance of Kshs.252.55 million (4.3 per cent) from FY 2019/20.

## 2.0 Revenue Performance

During the first nine months of FY 2020/21, the county received Kshs.2.61 billion as an equitable share of the revenue raised nationally, Kshs.333.85 million as conditional grants, raised Kshs.168.31 million as own-source revenue, and had a cash balance of KShs. 252.55 million from FY 2019/20. The total funds available for budget implementation during the period amounted to Kshs.3.36 billion, as shown in Table 1.

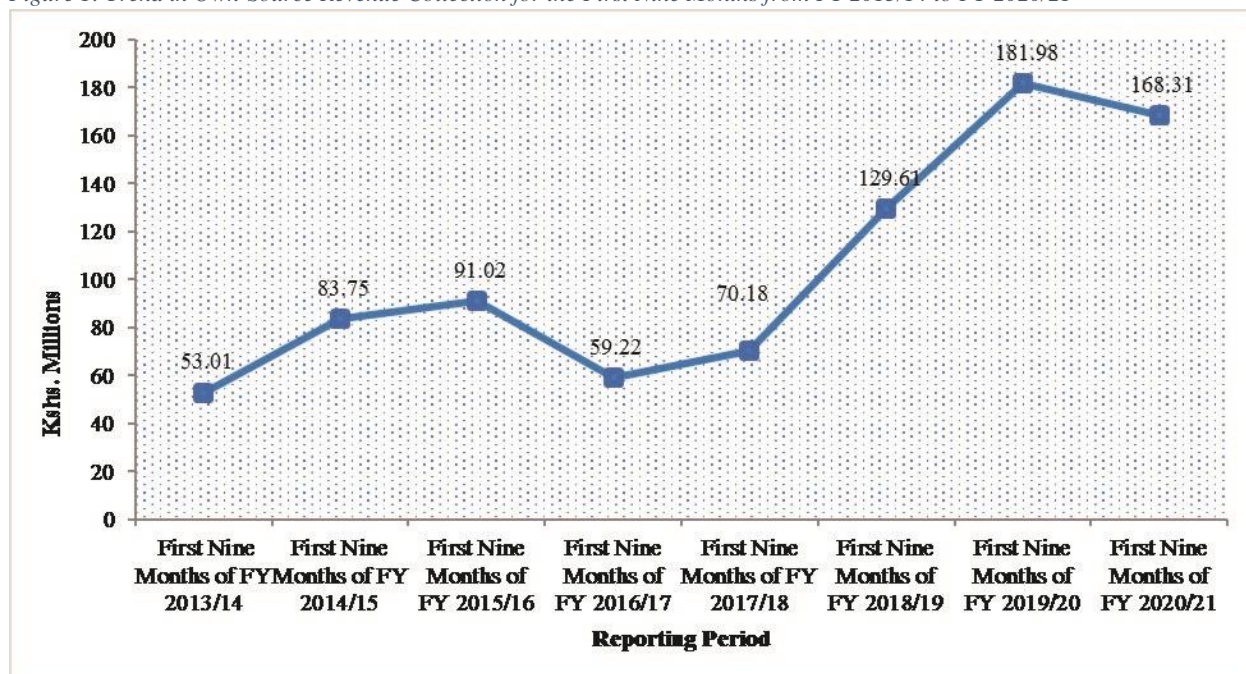
Table 1: Tharaka Nithi County, Revenue Performance in the first nine Months of FY 2020/21

S/No	Revenue	Annual CARA, 2020 Allocation (in KShs)	Annual Budget Allocation (in KShs)	Actual receipts (in KShs.)	Actual Receipts as % of Annual Allocation (%)
A.	Equitable Share of Revenue Raised nationally	3,924,600.00	4,262,115,600	2,613,783,600	61.3
<b>B.</b>	<b>Conditional Grants from the National Government Revenue</b>				
1.	Supplement for construction of county headquarters	50,000,000	-	-	-
2.	Compensation for User Fee Foregone	8,218,119	8,218,119	-	-
3.	Leasing of Medical Equipment	132,021,277	132,031,277	-	-
4.	Road Maintenance Fuel Levy Fund	115,085,841	115,085,841	57,542,920	50.0
5.	Rehabilitation of Village Polytechnics	60,799,894	60,799,894	30,399,947	50.0
<b>Sub Total</b>		<b>366,125,131</b>	<b>316,135,131</b>	<b>87,942,867</b>	<b>27.8</b>
<b>C</b>	<b>Loans and Grants from Development Partners</b>				
1.	Transforming Health systems for Universal care Project (WB)	101,448,239	101,448,239	51,032,370	50.3
2.	IDA (WB) Kenya Climate Smart Agriculture Project (KCSAP)	320,000,850	320,000,850	120,546,484	37.6
3.	IDA (WB) Credit: Kenya Devolution Support Project (KDSP) Level 1 Grant	45,000,000	45,000,000	45,000,000	100.0
4.	IDA (WB) Credit: Kenya Urban Support Project (KUSP) –Urban Development Grant (UDG)	-	50,000,000	14,238,060	28.4
5.	DANIDA Grant	11,160,000	11,160,000	5,580,000	50.0
6.	IDA (WB) Credit: Kenya Devolution Support Project (KDSP) Level 2 Grant	-	137,242,250	-	-
7.	Sweden - Agricultural Sector Development Support Programme (ASDSP) II	12,178,726	12,178,726	9,515,825	78.1
<b>Sub Total</b>		<b>489,787,815</b>	<b>677,030,065</b>	<b>245,912,739</b>	<b>36.3</b>
<b>D</b>	<b>Other Sources of Revenue</b>				
1.	Own Source Revenue	-	350,000,000	168,311,841	48.1
2.	Balance b/f from FY 2019/20	-	252,554,178	252,554,178	100
<b>Sub Total</b>		<b>-</b>	<b>602,554,178</b>	<b>420,866,019</b>	<b>69.8</b>
<b>Grand Total</b>		<b>859,837,546</b>	<b>5,857,834,974</b>	<b>3,368,505,225</b>	<b>57.5</b>

Source: Tharaka Nithi County Treasury

Figure 1 shows the trend in own-source revenue collection for the first nine months from FY 2013/14 to FY 2020/21.

Figure 1: Trend in Own-Source Revenue Collection for the First Nine Months from FY 2013/14 to FY 2020/21



Source: Tharaka Nithi County Treasury

During the first nine months of FY 2020/21, the County generated a total of Kshs.168.31 million as its own source revenue. This amount represented a decrease of 7.5 per cent compared to Kshs.181.98 million realised during a similar period in FY 2019/20 and was 48.1 per cent of the annual target.

## 2.0 Exchequer Issues

The Controller of Budget approved withdrawals of Kshs.3.17 billion from the CRF account during the reporting period. The amount comprised of Kshs.696.34 million (21.9 per cent) for development programmes and Kshs.2.48 billion (78.1 per cent) for recurrent programmes.

## 3.0 Overall Expenditure Review

During the reporting period, the County spent a total of Kshs.3.16 billion on development and recurrent programmes. The expenditure represented 99.7 per cent of the total funds released by the COB and comprised Kshs.692.37 million and Kshs.2.47 billion on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 33.7 per cent while recurrent expenditure represented 65.1 per cent of the annual recurrent expenditure budget.

## 3.1 Expenditure by Economic Classification

Analysis of expenditure by economic classification indicates that Kshs.1.79 billion was spent on compensation to employees, Kshs.684.78 million on operations and maintenance, and Kshs.692.37 million on development activities as shown in Table 2.



Table 2: Summary of Expenditure by Economic Classification for the First Nine Months of FY 2020/21

Expenditure Classification	Budget (KShs.)	Exchequer Issues (KShs.)	Expenditure (KShs)	Absorption (%)
<b>Total Recurrent Expenditure</b>	<b>3,801,342,007</b>	<b>2,482,077,771</b>	<b>2,475,942,673</b>	<b>65.1</b>
Compensation to Employees	2,137,951,711	1,791,153,873	1,791,153,873	83.8
Operations and Maintenance	1,663,390,296	690,923,898	684,788,800	41.2
<b>Total Development Expenditure</b>	<b>2,056,492,967</b>	<b>696,345,365</b>	<b>692,373,003</b>	<b>33.7</b>
Development Expenditure	2,056,492,967	696,345,365	692,373,003	33.7
<b>Total</b>	<b>5,857,834,974</b>	<b>3,178,423,136</b>	<b>3,168,315,676</b>	<b>54.1</b>

Source: Tharaka Nithi County Treasury

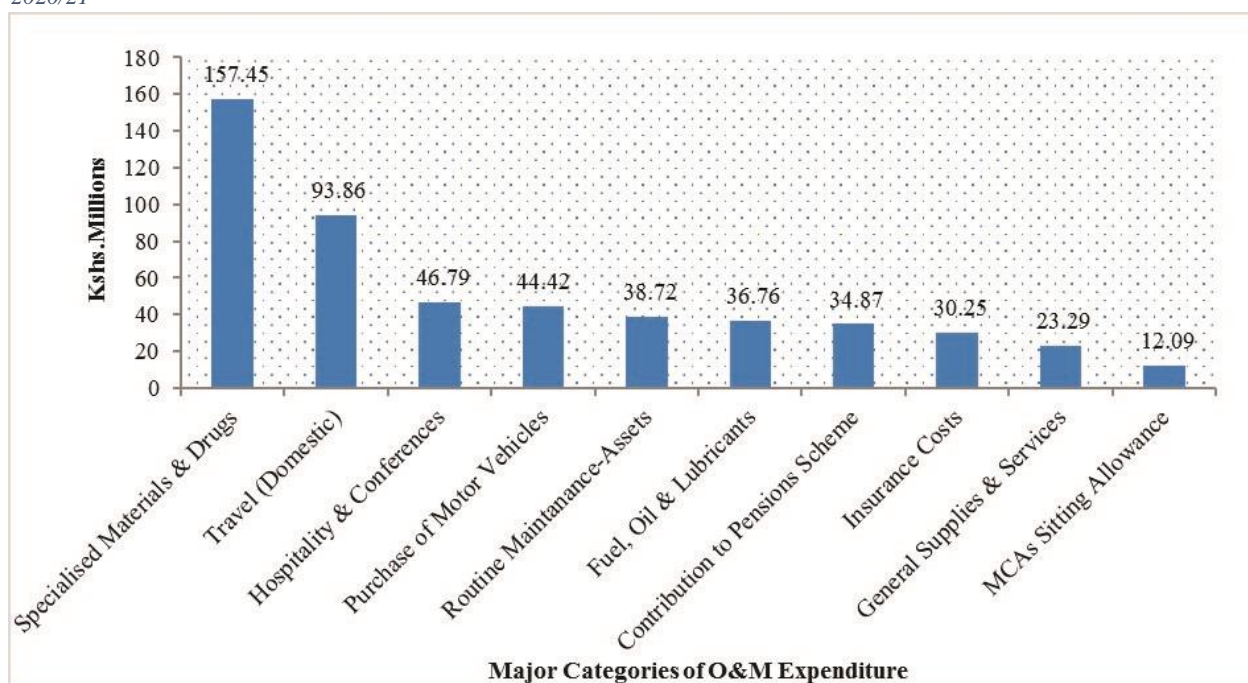
### 3.2 Expenditure on Personnel Emoluments

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 per cent of the County’s total revenue. Expenditure on compensation to employees was 56.5 per cent of the total expenditure for the reporting period and 40.8 per cent of the first nine months’ proportional revenue estimate of Kshs.4.39 billion.

### 3.3 Analysis of Operations and Maintenance Expenditure

Figure 2 shows a summary of operations and maintenance expenditure by major categories.

Figure 2: Tharaka Nithi County, Operations and Maintenance Expenditure by Major Categories in the First Nine Months FY 2020/21



Source: Tharaka Nithi County Treasury

Analysis of expenditure reports indicates that the County Assembly spent Kshs.12.09 million on committee sitting allowances for the 21 MCAs and Speaker against the annual budget allocation of Kshs.31.24 million.

The average monthly sitting allowance was KShs. 63,983 per MCA against the SRC's recommended monthly ceiling of KShs. 124,800.

During the period, expenditure on domestic travel amounted to Kshs.93.86 million and comprised of Kshs.46.67 million spent by the County Assembly and Kshs.47.19 million by the County Executive.

### 3.4 COVID-19 Expenditure

In the approved supplementary budget for FY 2020/21, the county provided Kshs.82.67million to cater for COVID-19 related expenditure. A total of Kshs.68.03 million was spent during the reporting period, as shown in Table 3.

Table 3: COVID-19 Budget and Expenditure Summary

S/No	Description	Expenditure as of 31st March 2021 (KShs.)
1	Conference facilities COVID-19 meetings	68,400
2	Conference facilities COVID-19 meetings	216,600
3	Isolation areas and accommodation facilities	2,760,000
4	Branding hand wash water Tanks	56,000
5	Supply of County Branded Masks	2,970,000
6	Supply of testing booth and branded umbrellas	1,438,680
7	Purchase of latex examination gloves and body bags	2,480,000
8	Purchase of Patient monitor and c-pap machine	2,845,554
9	Purchase of assorted isolation ward equipment's	2,940,907
10	Purchase of N95 face masks	2,690,000
S/No	Description	Expenditure as of 31st March 2021 (KShs.)
11	Supply hospital linen and uniforms	1,296,000
12	Purchase of Hospital linen	2,751,436
13	Repair of Hospital Beds	120,000
14	Fencing isolation wards Chuka Hospital	353,250
15	Construction of Water tower at isolation centre	751,180
16	Construction of sluice room at isolation centre	639,080
17	Supply of 8 x 10-Seater Tents and Plastic Chairs	870,960
18	Supply hospital beds with metallic side drawers	8,436,000
19	Supply of assorted medical equipment	2,468,400
20	Supply of Laundry Machine	528,950
21	Purchase of medical equipment	2,864,136
22	Supply of surgical masks	6,498,000
23	Supply of thermos gun thermometers	6,840,000
24	Catering and accommodation for staff manning COVID-19 isolation ward	1,470,000
25	Supply of branded jelicans	1,000,000
26	Supply KN95 respirator face mask, PPE kit assorted and surgical 3-ply face masks	12,670,500
<b>Total</b>		<b>68,024,033</b>

### 3.5 Development Expenditure Analysis

The County incurred expenditure of Kshs.692.37 million on development programmes, which represented an increase of 5.4 per cent compared to a similar period in FY 2019/20 when the County spent KShs. 656.44 million. Table 4. provides a summary of development projects with the highest expenditure in the reporting period.

Table 4: Tharaka Nithi County, List of Development Projects with the Highest Expenditure in the First Nine Months of FY 2020/21

S/No.	Project Name	Department	Location	Budget (KShs.)	Expenditure (KShs.)	Absorption Rate (%)
1	CHUKA L4 Hosp- Construction of OPD Block [ongoing]	Medical Services	Karingani	52,000,000	36,231,124	69.7
2	Tarmacking of Tunyai - Nthaara- Marimanti Rd	Roads, Public works &Infrastructure	Chiakariga	50,000,000	49,999,960	100.0
3	Tarmacking of Kambandi-Cheera-Ruguti Road	Roads, Public works &Infrastructure	Mugwe	36,030,000	36,030,000	100.0
4	Kaanwa -Mitheru rd. [Tarmacking]	Roads, Public works &Infrastructure	Mitheru	50,000,000	29,986,650	60.0
5	Community domestic water projects	Water Services And Irrigation	Countywide	25,400,000	10,473,145	41.2
6	Installation of mobile market stalls at Kiracha	Lands, Physical Planning, Urban Development, Housing And Environment	Magumoni	10,000,000	9,907,600	99.1
7	Construction of Mukothima Market	Lands, Physical Planning, Urban Development, Housing And Environment	mukothima	8,000,000	6,155,000	76.9
8	Kenya Climate Smart Agriculture Program (KCSAP)	Agriculture And Cooperative Development	Countywide	355,088,350	120,546,545	33.9
9	Maintenance of Key County Trunk Roads [RMLF]	Roads, Public works &Infrastructure	Countywide	115,085,841	57,542,920	50.0
10	Completion, Renovation and equipping of Health Centres	Medical Services	Countywide	13,000,000	10,808,428	83.1

Source: *Tharaka Nithi County Treasury*

### 4.0 Budget performance

#### 4.1 Budget Performance by Department

Table 5 summarises the approved budget allocation and performance by departments in the first nine months of FY 2020/21.

Table 5: Tharaka Nithi County, Budget Performance by Department for the First Nine Months of FY 2020/21

Department	Budget Allocation (KShs. Million)		Exchequer Issues (KShs. Million)		Expenditure (KShs. Million)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly	423.00	40.00	266.50	2.60	265.67	2.60	99.7	100.0	62.8	6.5
Office of the Governor And Deputy Governor	159.28	-	64.78	-	63.90	-	98.6	-	40.1	-
Finance and Economic Planning	326.94	265.36	183.96	15.10	183.20	15.10	99.6	100.0	56.0	5.7
Agriculture and Cooperative Development	116.42	482.96	79.51	157.75	80.51	151.01	101.3	95.7	69.2	31.3
Education and Vocational Training	280.89	68.64	161.39	8.20	161.16	14.14	99.9	172.4	57.4	20.6
Medical Services	1371.87	144.57	1040.93	80.85	1040.42	80.11	100.0	99.1	75.8	55.4
Lands, Physical Planning, Urban Development, Housing And Environment	107.42	208.17	51.46	73.10	51.06	72.66	99.2	99.4	47.5	34.9
Roads, Infrastructure, Public Works and Industry	102.49	563.74	44.67	292.58	44.25	291.85	99.0	99.7	43.2	51.8
Administration and Public Service	254.13	-	186.11	-	185.99	-	99.9	-	73.2	-
Trade and Resource Mobilization	115.08	-	76.49	-	76.52	-	100.0	-	66.5	-
Water Services and Irrigation	51.56	175.24	32.46	53.70	31.98	53.33	98.5	99.3	62.0	30.4
County Public Service Board	22.76	-	11.87	-	11.02	-	92.8	-	48.4	-
Livestock, Veterinary and Fisheries Development	87.09	45.78	58.83	11.08	58.00	10.21	98.6	92.2	66.6	22.3
Public Health and Sanitation	328.65	-	202.28	-	201.45	-	99.6	-	61.3	-
Energy, Information, Communication and Technology	7.26	-	-	-	-	-	-	-	-	-
Youth, Sports, Culture And Tourism	46.51	62.03	20.81	1.38	20.81	1.38	100.0	100.0	44.7	2.2
<b>TOTAL</b>	<b>3,801.34</b>	<b>2,056.49</b>	<b>2,482.08</b>	<b>696.35</b>	<b>2,475.94</b>	<b>692.37</b>	<b>99.8</b>	<b>99.4</b>	<b>65.1</b>	<b>33.7</b>

Source: Tharaka Nithi County Treasury

Analysis of departments' expenditure shows that the department of Medical Services recorded the highest absorption rate of development budget at 55.4 per cent while the Department of Youth, Sports, Culture and Tourism had the lowest at 2.2 per cent. The Department of Medical Services had the highest percentage of recurrent expenditure to budget at 75.8 per cent, while the Office of the Governor & Deputy Governor had the lowest at 40.1 per cent.

#### 4.2 Budget Execution by Programmes and Sub-Programmes

Table 6 shows a summary of the budget execution by programmes and sub-programmes in the first nine months of FY 2020/21.

**Table 6: Tharaka Nithi County, Budget Execution by Programmes and Sub-programmes in the First Nine Months of FY 2020/2021**

Budget Execution by Programmes and Sub-Programmes	Sum of Approved Estimates (KShs.)	Sum of Total Expenditure (KShs.)	Sum of Balance (KShs.)	Absorption (%)
<b>Administration and Devolution Affairs</b>	<b>254,129,734</b>	<b>185,985,508</b>	<b>68,144,226</b>	73.20%
<b>P: County Government Advisory Services</b>	<b>3,600,000</b>	<b>725,420</b>	<b>2,874,580</b>	20.20%
SP: Disaster Management and Coordination	3,600,000	725,420	2,874,580	20.20%
<b>P: General Administration, Planning and Support Services</b>	<b>250,529,734</b>	<b>185,260,088</b>	<b>65,269,646</b>	73.90%
SP: General Administration and Support Services	244,529,734	183,169,978	61,359,756	74.90%
SP: Human Resource Management Services	1,100,000	384,200	715,800	34.90%
SP: Sub-County Administration and Field Services	4,900,000	1,705,910	3,194,090	34.80%
<b>Agriculture, Industry and Cooperatives</b>	<b>599,380,937</b>	<b>231,518,468</b>	<b>367,862,469</b>	38.60%
<b>P: Cooperative Development and Management</b>	<b>3,168,903</b>	<b>2,126,200</b>	<b>1,042,703</b>	67.10%
SP: Cooperative Development	3,168,903	2,126,200	1,042,703	67.10%
<b>Administration and Devolution Affairs</b>	<b>254,129,734</b>	<b>185,985,508</b>	<b>68,144,226</b>	73.20%
<b>P: County Government Advisory Services</b>	<b>3,600,000</b>	<b>725,420</b>	<b>2,874,580</b>	20.20%
SP: Disaster Management and Coordination	3,600,000	725,420	2,874,580	20.20%
<b>P: General Administration, Planning and Support Services</b>	<b>250,529,734</b>	<b>185,260,088</b>	<b>65,269,646</b>	73.90%
SP: General Administration and Support Services	244,529,734	183,169,978	61,359,756	74.90%
SP: Human Resource Management Services	1,100,000	384,200	715,800	34.90%
SP: Sub-County Administration and Field Services	4,900,000	1,705,910	3,194,090	34.80%
<b>Agriculture, Industry and Cooperatives</b>	<b>599,380,937</b>	<b>231,518,468</b>	<b>367,862,469</b>	38.60%
<b>P: Cooperative Development and Management</b>	<b>3,168,903</b>	<b>2,126,200</b>	<b>1,042,703</b>	67.10%
SP: Cooperative Development	3,168,903	2,126,200	1,042,703	67.10%
<b>P: Crop Development and Management</b>	<b>8,343,351</b>	<b>3,646,000</b>	<b>4,697,351</b>	43.70%
SP: Crops Development, Agribusiness and Market Development	8,343,351	3,646,000	4,697,351	43.70%

<b>P: General Administration Planning and Support Services</b>	<b>587,868,683</b>	<b>225,746,268</b>	<b>362,122,415</b>	38.40%
SP: Administration, Policy, Strategy and Management of Agriculture	104,909,024	74,740,472	30,168,552	71.20%
SP: General Administration Services	482,959,659	151,005,796	331,953,863	31.30%
<b>County Public Service Board</b>	<b>22,762,798</b>	<b>11,017,878</b>	<b>11,744,920</b>	48.40%
<b>P: County Government Advisory Services</b>	<b>2,300,000</b>	<b>626,800</b>	<b>1,673,200</b>	27.30%
SP: County Public Service Board	2,300,000	626,800	1,673,200	27.30%
<b>P: General Administration, Planning and Support Services</b>	<b>18,762,798</b>	<b>9,924,228</b>	<b>8,838,570</b>	52.90%
SP: General Administration and Support Services	18,662,798	9,924,228	8,738,570	53.20%
SP: Human Resource Management Services	100,000	-	100,000	0.00%
<b>P: Human Resource Management and Development</b>	<b>1,700,000</b>	<b>466,850</b>	<b>1,233,150</b>	27.50%
SP: County Public Service Board Services	1,700,000	466,850	1,233,150	27.50%
<b>Education, Gender, Culture and Social Services</b>	<b>349,526,859</b>	<b>175,301,168</b>	<b>174,225,691</b>	50.20%
<b>P: Education and Youth Training</b>	<b>197,680,450</b>	<b>43,519,655</b>	<b>154,160,795</b>	22.00%
SP: Promotion of Basic Education (ECDE)	94,004,660	11,649,655	82,355,005	12.40%
SP: Youth Training and Capacity Building	103,675,790	31,870,000	71,805,790	30.70%
<b>P: General Administration Planning and Support Services</b>	<b>151,846,409</b>	<b>131,781,513</b>	<b>20,064,896</b>	86.80%
SP: Administration Planning and Support Services	151,846,409	131,781,513	20,064,896	86.80%
<b>Energy and Housing</b>	<b>7,257,500</b>	-	<b>7,257,500</b>	0.00%
<b>P: Energy Resource Development &amp; Management</b>	<b>1,758,000</b>	-	<b>1,758,000</b>	0.00%
SP: Energy Resource Development & Management	1,758,000	-	1,758,000	0.00%
<b>P: General Administration Planning and Support Services</b>	<b>5,499,500</b>	-	<b>5,499,500</b>	0.00%
SP: General Administration Services	5,499,500	-	5,499,500	0.00%
<b>Finance and Economic Planning</b>	<b>592,290,685</b>	<b>198,295,925</b>	<b>393,994,760</b>	33.50%
<b>P: Economic Policy and County Planning</b>	<b>8,290,000</b>	<b>5,027,600</b>	<b>3,262,400</b>	60.60%
SP: County Statistics Services	2,540,000	1,114,947	1,425,053	43.90%
SP: Economic Development, Planning and Coordination Services	3,110,000	2,017,703	1,092,297	64.90%

SP: Monitoring and Evaluation Services	2,640,000	1,894,950	745,050	71.80%
<b>P: Financial Management Services</b>	<b>17,810,000</b>	<b>10,005,335</b>	<b>7,804,665</b>	56.20%
SP: Accounting Services	4,400,000	2,922,450	1,477,550	66.40%
SP: Audit Services	5,000,000	2,161,310	2,838,690	43.20%
SP: Budget Formulation and Coordination	5,930,000	3,737,675	2,192,325	63.00%
SP: Supply Chain Management Services	2,480,000	1,183,900	1,296,100	47.70%
<b>P: General Administration, Planning and Support Services</b>	<b>364,532,742</b>	<b>172,964,900</b>	<b>191,567,842</b>	47.40%
SP: Human Resource Management Services	364,532,742	172,964,900	191,567,842	47.40%
<b>P: Kenya Devolution Support Programme</b>	<b>201,657,943</b>	<b>10,298,090</b>	<b>191,359,853</b>	5.10%
SP: Tharaka Nithi KDSP Capacity Building	201,657,943	10,298,090	191,359,853	5.10%
<b>Lands, Physical Planning, Urban Development, Environment and Natural Resources</b>	<b>315,588,712</b>	<b>123,718,196</b>	<b>191,870,516</b>	39.20%
<b>P: Environment and Natural Resources Management</b>	<b>23,013,728</b>	<b>13,304,890</b>	<b>9,708,838</b>	57.80%
SP: Environment and Natural Resource	23,013,728	13,304,890	9,708,838	57.80%
<b>P: Kathwana Municipality Development Programme</b>	<b>12,469,600</b>	-	<b>12,469,600</b>	0.00%
SP: Kathwana Urban Area Support	12,469,600	-	12,469,600	0.00%
<b>P: Land Policy and Planning</b>	<b>269,462,484</b>	<b>108,684,806</b>	<b>160,777,678</b>	40.30%
SP: Land administration & management	214,999,174	72,785,495	142,213,679	33.90%
SP: Physical Planning Services	54,463,310	35,899,311	18,563,999	65.90%
<b>P: Urban Development and Administration</b>	<b>10,642,900</b>	<b>1,728,500</b>	<b>8,914,400</b>	16.20%
SP: Urban Administrative Services	10,642,900	1,728,500	8,914,400	16.20%
<b>Livestock, Veterinary and Fisheries Development</b>	<b>132,870,290</b>	<b>68,209,724</b>	<b>64,660,566</b>	51.30%
<b>P: Livestock and Fisheries Resource Management and Development</b>	<b>132,870,290</b>	<b>68,209,724</b>	<b>64,660,566</b>	51.30%
SP: Fisheries Development and Promotion	6,664,850	50,000	6,614,850	0.80%
SP: Livestock Policy Development and Capacity Building	97,124,890	59,130,624	37,994,266	60.90%
SP: Veterinary Services and Disease Prevention	29,080,550	9,029,100	20,051,450	31.00%
<b>Medical Services</b>	<b>1,516,436,351</b>	<b>1,120,535,166</b>	<b>395,901,185</b>	73.90%
<b>P: Curative and Rehabilitative Services</b>	<b>92,064,480</b>	<b>21,252,450</b>	<b>70,812,030</b>	23.10%
SP: Primary Healthcare	92,064,480	21,252,450	70,812,030	23.10%

<b>P: General Administration Planning and Support Services</b>	<b>1,424,371,871</b>	<b>1,099,282,716</b>	<b>325,089,155</b>	77.20%
SP: General Administration Services	256,347,846	119,129,543	137,218,303	46.50%
SP: HMIS Monitoring and Evaluation	3,149,500	905,120	2,244,380	28.70%
SP: Human resource management	929,693,954	848,641,031	81,052,923	91.30%
SP: Policy, Planning, Financing and Budgeting	235,180,571	130,607,022	104,573,549	55.50%
<b>Office of Governor and Deputy Governor</b>	<b>159,275,922</b>	<b>63,903,121</b>	<b>95,372,801</b>	40.10%
<b>P: County Government Advisory Services</b>	<b>11,860,000</b>	<b>4,112,438</b>	<b>7,747,562</b>	34.70%
SP: Communication and Strategy	11,860,000	4,112,438	7,747,562	34.70%
<b>P: County Leadership and Coordination of MDAs</b>	<b>26,870,400</b>	<b>5,711,057</b>	<b>21,159,343</b>	21.30%
SP: Coordination of CMAs (Office of County Secretary)	18,300,000	3,194,717	15,105,283	17.50%
SP: Public Sector Advisory Services (Legal, Political, and Economic Affairs)	8,570,400	2,516,340	6,054,060	29.40%
<b>P: General Administration, Planning and Support Services</b>	<b>120,545,522</b>	<b>54,079,626</b>	<b>66,465,896</b>	44.90%
SP: Coordination and Supervisory Services (Deputy Governor's Office)	11,480,000	3,213,615	8,266,385	28.00%
SP: Management of County Affairs (Office of Governor)	109,065,522	50,866,011	58,199,511	46.60%
<b>Public Health and Sanitation</b>	<b>328,651,536</b>	<b>201,454,524</b>	<b>127,197,012</b>	61.30%
<b>P: Preventive and Promotive Health Services</b>	<b>328,651,536</b>	<b>201,454,524</b>	<b>127,197,012</b>	61.30%
SP: Disease Surveillance	1,920,000	345,672	1,574,328	18.00%
SP: Environmental Health services	12,732,200	7,635,944	5,096,256	60.00%
SP: Health Promotion and Disease Control	310,999,336	192,994,758	118,004,578	62.10%
SP: HIV and AIDS Support Services	1,300,000	234,400	1,065,600	18.00%
SP: Nutrition Services	800,000	-	800,000	0.00%
SP: Reproductive Maternal and Child health Services	900,000	243,750	656,250	27.10%
<b>Roads, Infrastructure, Public Works and ICT</b>	<b>666,238,778</b>	<b>336,097,212</b>	<b>330,141,566</b>	50.40%
<b>P: County Government Advisory Services</b>	<b>10,000,000</b>	<b>4,706,670</b>	<b>5,293,330</b>	47.10%
SP: Communication and Strategy	10,000,000	4,706,670	5,293,330	47.10%
<b>P: General Administration Planning and Support Services</b>	<b>28,840,600</b>	<b>16,175,000</b>	<b>12,665,600</b>	56.10%
SP: General Administration Services	28,840,600	16,175,000	12,665,600	56.10%
<b>P: ICT Infrastructure Development</b>	<b>28,670,000</b>	<b>10,220,489</b>	<b>18,449,511</b>	35.60%



SP: ICT Infrastructure Development	28,670,000	10,220,489	18,449,511	35.60%
<b>P: Public Works and Housing Services</b>	<b>2,005,000</b>	<b>528,000</b>	<b>1,477,000</b>	26.30%
SP: Public Works Services	2,005,000	528,000	1,477,000	26.30%
<b>P: Roads Transport</b>	<b>596,723,178</b>	<b>304,467,053</b>	<b>292,256,125</b>	51.00%
SP: Rural Roads Improvement and Maintenance Services	596,723,178	304,467,053	292,256,125	51.00%
<b>Trade and Revenue</b>	<b>115,080,802</b>	<b>76,518,851</b>	<b>38,561,951</b>	66.50%
<b>P: General Administration, Planning and Support Services</b>	<b>90,291,802</b>	<b>69,575,113</b>	<b>20,716,689</b>	77.10%
SP: General Administration and Support Services	90,291,802	69,575,113	20,716,689	77.10%
<b>P: Industrial Development and Investment</b>	<b>12,348,000</b>	<b>4,041,308</b>	<b>8,306,692</b>	32.70%
SP: Consumer Protection & Fair Trade Practices	6,875,000	2,503,908	4,371,092	36.40%
SP: Promotion of Industrial Products	5,473,000	1,537,400	3,935,600	28.10%
<b>P: Resource Mobilization</b>	<b>12,441,000</b>	<b>2,902,430</b>	<b>9,538,570</b>	23.30%
SP: Revenue Administration	12,441,000	2,902,430	9,538,570	23.30%
<b>Water and Irrigation</b>	<b>226,805,109</b>	<b>85,308,622</b>	<b>141,496,487</b>	37.60%
<b>P: Water Supply Services</b>	<b>226,805,109</b>	<b>85,308,622</b>	<b>141,496,487</b>	37.60%
SP: Domestic Water Services	211,657,159	79,048,992	132,608,167	37.30%
SP: Irrigation and Drainage Services	13,554,950	6,138,330	7,416,620	45.30%
SP: Water Storage Services	1,593,000	121,300	1,471,700	7.60%
<b>Youth, Sports, Culture and Tourism</b>	<b>108,538,961</b>	<b>22,184,804</b>	<b>86,354,157</b>	20.40%
<b>P: Culture, Arts and Social Services</b>	<b>6,581,100</b>	<b>2,764,164</b>	<b>3,816,936</b>	42.00%
SP: Culture and Arts Promotion	4,945,975	2,521,984	2,423,991	51.00%
SP: Gender PWDs and Social Services	1,635,125	242,180	1,392,945	14.80%
<b>P: Sports Development and Promotion</b>	<b>98,151,861</b>	<b>18,791,640</b>	<b>79,360,221</b>	19.10%
SP: Athletics Championships and Other Games	2,976,375	52,900	2,923,475	1.80%
SP: County Football League and Clubs Development	5,752,000	138,800	5,613,200	2.40%
SP: Talent Search and Promotion	89,423,486	18,599,940	70,823,546	20.80%
<b>P: Tourism Development and Promotion</b>	<b>3,806,000</b>	<b>629,000</b>	<b>3,177,000</b>	16.50%
SP: Miss Tourism Tharaka Nithi	2,730,500	569,000	2,161,500	20.80%
SP: Tourism Branding and Marketing	1,075,500	60,000	1,015,500	5.60%
<b>P: County assembly</b>	<b>463,000,000</b>	<b>268,266,509</b>	194,733,491	57.90%
SP: County Assembly Services	463,000,000	268,266,509	194,733,491	57.90%
<b>Grand Total</b>	<b>5,857,834,974</b>	<b>3,168,315,676</b>	<b>2,689,519,298</b>	<b>54.10%</b>

*Source: Tharaka Nithi County Treasury*

Programmes with the highest levels of implementation based on absorption rates were: General Administration, Planning, and Support Services in the Department of Education, Gender, Culture, and Social Services at 86.8 per cent, General Administration, Planning & Support Services in the Department of Medical Services at 77.2 per cent and General Administration, Planning & Support Services in the Department of Trade and Revenue at 77.1 per cent of Budget Allocation.

## **5.0 Key Observations and Recommendations**

From the above discussions we can conclude that

1. There was Low absorption of development funds as indicated by the expenditure of Kshs.692.37 million in the first nine months of FY 2020/21 from the annual development budget allocation of Kshs.2.05 billion. The development expenditure represented 33.7 per cent of the annual development budget.
2. A high wage bill, accounting for 56.5 per cent of the total expenditure in the first nine months of FY 2020/21 thus constraining funding to other programmes.
3. Under-performance of own source revenue at Kshs.168.31 million compared to the annual projection of Kshs.350 million, representing 48.1 per cent of the annual target.

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

1. *The County will identify and address issues causing delays in the implementation of development projects.*
2. *The County will strive to enhance its own source revenue performance to ensure the approved budget is fully financed.*